

A bill for an act

relating to government operations; modifying provisions for general legislative and administrative expenses of state government; regulating state and local government operations; improving state internal controls and financial management; changing strategic and long-range planning provisions; changing provisions for business registration renewals; instituting a false claims cause of action; requiring a Web site with a searchable database on state expenditures; modifying provisions for misappropriation of state funds; requiring a review of the budget reserve percentage; establishing technology development lease-purchase financing; creating the enterprise real property account; creating the geospatial information office; establishing a veteran-owned small business preference; establishing a statewide electronic licensing system; modifying donated sick leave provisions; establishing best practices policy for investigations; creating the management analysis revolving fund; changing provisions on small business contracts; changing provisions for corporation and partnership filings and renewals with the secretary of state; imposing civil and criminal penalties; establishing fees; requiring reports; appropriating money; amending Minnesota Statutes 2008, sections 3.303, subdivision 8; 3.732, subdivision 1; 3.97, by adding a subdivision; 3.971, subdivision 6; 3.975; 4A.01; 4A.02; 5.12, subdivision 1; 5.29; 5.32; 5A.03; 5A.06; 10A.31, subdivision 4; 11A.07, subdivision 4; 13.64; 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 16A.01, subdivision 1; 16A.055, subdivision 1, by adding a subdivision; 16A.126, subdivision 1; 16A.133, subdivision 1; 16A.139; 16A.151, subdivision 2; 16A.152, by adding a subdivision; 16B.24, by adding a subdivision; 16C.16, by adding a subdivision; 16C.19; 16C.20; 31.60, subdivision 1; 43A.1815; 43A.49; 45.24; 128C.15, subdivision 3; 144E.40, subdivision 2; 161.321; 176.571, subdivision 1; 270C.63, subdivision 13; 302A.821; 303.14; 303.16, subdivision 4; 308A.995; 308B.121, subdivisions 1, 2; 317A.823; 321.0206; 321.0210; 321.0810; 322B.960; 323A.1003; 333.055; 336A.04, subdivision 3; 336A.09, subdivision 2; 359.01, subdivision 3; 383B.72; 469.175, subdivisions 1, 6; 471.345, subdivision 15; 473.142; 480.181, subdivision 2; Laws 2005, chapter 162, section 34, subdivision 2; Laws 2006, chapter 218, section 6; proposing coding for new law in Minnesota Statutes, chapters 4A; 5; 10; 16A; 16B; 16E; 43A; 270C; proposing coding for new law as Minnesota Statutes, chapter 15C; repealing Minnesota Statutes 2008, sections 4A.05; 16C.046; 240A.08; 471.9981, subdivision 1; H. F. 1122, article 3, sections 3, 4, 5, 8, 19, if enacted.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

STATE GOVERNMENT APPROPRIATIONS

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ <u>315,558,000</u>	\$ <u>316,352,000</u>	\$ <u>631,910,000</u>
<u>Health Care Access</u>	<u>1,939,000</u>	<u>1,927,000</u>	<u>3,866,000</u>
<u>State Government Special Revenue</u>	<u>2,227,000</u>	<u>2,227,000</u>	<u>4,454,000</u>
<u>Environmental</u>	<u>448,000</u>	<u>448,000</u>	<u>896,000</u>
<u>Remediation</u>	<u>250,000</u>	<u>250,000</u>	<u>500,000</u>
<u>Special Revenue</u>	<u>4,089,000</u>	<u>3,839,000</u>	<u>7,928,000</u>
<u>Highway User Tax Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>	<u>4,366,000</u>
<u>Workers' Compensation</u>	<u>7,350,000</u>	<u>7,350,000</u>	<u>14,700,000</u>
<u>Lottery Prize Fund</u>	<u>225,000</u>	<u>225,000</u>	<u>450,000</u>
<u>Total</u>	\$ <u>334,269,000</u>	\$ <u>334,801,000</u>	\$ <u>669,070,000</u>

Sec. 2. STATE GOVERNMENT APPROPRIATIONS.

The sums shown in the columns marked "appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011.

	<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
	<u>2010</u>	<u>2011</u>
Sec. 3. <u>LEGISLATURE</u>	\$ <u>67,811,000</u>	\$ <u>67,785,000</u>
Subdivision 1. <u>Total Appropriation</u>	\$ <u>67,811,000</u>	\$ <u>67,785,000</u>
<u>Appropriations by Fund</u>		
	<u>2010</u>	<u>2011</u>
<u>General</u>	<u>67,633,000</u>	<u>67,607,000</u>
<u>Health Care Access</u>	<u>178,000</u>	<u>178,000</u>

3.1	<u>The amounts that may be spent for each</u>		
3.2	<u>purpose are specified in the following</u>		
3.3	<u>subdivisions.</u>		
3.4	<u>Subd. 2. Senate</u>	<u>22,269,000</u>	<u>22,269,000</u>
3.5	<u>Subd. 3. House of Representatives</u>	<u>29,940,000</u>	<u>29,940,000</u>
3.6	<u>Subd. 4. Legislative Coordinating Commission</u>	<u>15,602,000</u>	<u>15,576,000</u>
3.7	<u>Appropriations by Fund</u>		
3.8	<u>General</u>	<u>15,424,000</u>	<u>15,398,000</u>
3.9	<u>Health Care Access</u>	<u>178,000</u>	<u>178,000</u>
3.10	<u>(a) \$5,657,000 the first year and \$5,657,000</u>		
3.11	<u>the second year are for the Office of the</u>		
3.12	<u>Revisor of Statutes.</u>		
3.13	<u>(b) \$1,379,000 the first year and \$1,379,000</u>		
3.14	<u>the second year are for the Legislative</u>		
3.15	<u>Reference Library.</u>		
3.16	<u>(c) \$5,833,000 the first year and \$5,833,000</u>		
3.17	<u>the second year are for the Office of the</u>		
3.18	<u>Legislative Auditor.</u>		
3.19	<u>(d) \$10,000 the first year is for purposes</u>		
3.20	<u>of the legislators' forum, through which</u>		
3.21	<u>Minnesota legislators meet with counterparts</u>		
3.22	<u>from South Dakota, North Dakota, and</u>		
3.23	<u>Manitoba to discuss issues of mutual</u>		
3.24	<u>concern. This appropriation is available until</u>		
3.25	<u>June 30, 2011.</u>		
3.26	<u>Sec. 4. GOVERNOR AND LIEUTENANT</u>		
3.27	<u>GOVERNOR</u>	<u>\$ 3,590,000</u>	<u>\$ 3,590,000</u>
3.28	<u>(a) This appropriation is to fund the Office</u>		
3.29	<u>of the Governor and Lieutenant Governor.</u>		
3.30	<u>\$19,000 the first year and \$19,000 the</u>		
3.31	<u>second year are for necessary expenses in</u>		
3.32	<u>the normal performance of the governor's</u>		
3.33	<u>and lieutenant governor's duties for which no</u>		
3.34	<u>other reimbursement is provided.</u>		

4.1 (b) By September 1 of each year, the
4.2 commissioner of finance shall report to the
4.3 chairs and ranking minority members of the
4.4 senate State Government Budget Division
4.5 and the house of representatives State
4.6 Government Finance Division any personnel
4.7 costs incurred by the Office of the Governor
4.8 and Lieutenant Governor that were supported
4.9 by appropriations to other agencies during
4.10 the previous fiscal year. The Office of the
4.11 Governor shall inform the chairs and ranking
4.12 minority members of the divisions before
4.13 initiating any interagency agreements.

4.14 (c) During the biennium ending June 30,
4.15 2011, the Office of the Governor may not
4.16 receive payments of more than \$702,000
4.17 each fiscal year from other executive
4.18 agencies under Minnesota Statutes, section
4.19 15.53, to support personnel costs incurred
4.20 by the office. Payments received under this
4.21 paragraph must be deposited in a special
4.22 revenue account. Money in the account is
4.23 appropriated to the Office of the Governor.
4.24 The authority in this paragraph supersedes
4.25 other law enacted in 2009 that limits the
4.26 ability of the office to enter into agreements
4.27 relating to personnel costs with other
4.28 executive branch agencies or prevents the use
4.29 of appropriations made to other agencies for
4.30 agreements with the office under Minnesota
4.31 Statutes, section 15.53.

4.32	Sec. 5. <u>STATE AUDITOR</u>	\$	<u>9,858,000</u>	\$	<u>9,178,000</u>
4.33	<u>\$680,000 the first year is for additional audit</u>				
4.34	<u>activities under the American Recovery</u>				
4.35	<u>and Reinvestment Act of 2009. This</u>				

5.1 appropriation remains available through June
5.2 30, 2011.
5.3 \$1,000,000 of the balance in the tax
5.4 increment financing enforcement account
5.5 established in Minnesota Statutes, section
5.6 469.177, subdivision 11, is canceled to the
5.7 general fund on July 1, 2009. This is a
5.8 onetime cancellation.

5.9 Sec. 6. ATTORNEY GENERAL \$ 25,380,000 \$ 25,380,000

5.10	<u>Appropriations by Fund</u>		
5.11		<u>2010</u>	<u>2011</u>
5.12	<u>General</u>	<u>23,158,000</u>	<u>23,158,000</u>
5.13	<u>State Government</u>		
5.14	<u>Special Revenue</u>	<u>1,827,000</u>	<u>1,827,000</u>
5.15	<u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
5.16	<u>Remediation</u>	<u>250,000</u>	<u>250,000</u>

5.17 Sec. 7. SECRETARY OF STATE \$ 5,910,000 \$ 5,909,000

5.18 Any funds available in the account
5.19 established in Minnesota Statutes, section
5.20 5.30, pursuant to the Help America Vote Act,
5.21 are appropriated for the purposes and uses
5.22 authorized by federal law.

5.23 Sec. 8. CAMPAIGN FINANCE AND PUBLIC
5.24 DISCLOSURE BOARD \$ 748,000 \$ 748,000

5.25 Sec. 9. INVESTMENT BOARD \$ 151,000 \$ 151,000

5.26 Sec. 10. OFFICE OF ENTERPRISE
5.27 TECHNOLOGY \$ 5,758,000 \$ 5,758,000

5.28 \$4,263,000 the first year and \$4,263,000 the
5.29 second year are for information technology
5.30 security. The chief information officer,
5.31 in consultation with the commissioner of
5.32 finance, shall develop a cost recovery plan
5.33 for the 2012-2013 biennium to bill certain

6.1 state agencies, constitutional officers, and
6.2 other state and local government entities for
6.3 the cost of information technology security.
6.4 By March 15, 2010, the chief information
6.5 officer shall report the plan and the potential
6.6 for rates to be charged to agencies to the
6.7 chairs and ranking minority members of
6.8 the legislative committee divisions with
6.9 jurisdiction over the budget for the office.
6.10 The requirements imposed on the
6.11 commissioner of finance and the chief
6.12 information officer under Laws 2007, chapter
6.13 148, article 1, section 10, paragraph (e),
6.14 regarding the determination of the savings
6.15 attributable to the electronic licensing
6.16 system and information technology security
6.17 improvements are inoperative.

6.18 Sec. 11. **ADMINISTRATIVE HEARINGS** \$ **7,655,000** \$ **7,525,000**

6.19	<u>Appropriations by Fund</u>		
6.20		<u>2010</u>	<u>2011</u>
6.21	<u>General</u>	<u>405,000</u>	<u>275,000</u>
6.22	<u>Workers'</u>		
6.23	<u>Compensation</u>	<u>7,250,000</u>	<u>7,250,000</u>

6.24 \$130,000 in the first year is for the cost
6.25 of considering complaints filed under
6.26 Minnesota Statutes, section 211B.32. Until
6.27 June 30, 2011, the chief administrative
6.28 law judge may not make any assessment
6.29 against a county or counties under Minnesota
6.30 Statutes, section 211B.37. Any amount of
6.31 this appropriation that remains unspent at
6.32 the end of the biennium must be canceled
6.33 to the general account of the state elections
6.34 campaign fund. The base for fiscal year 2012

7.1 is \$130,000, to be available for the biennium,

7.2 under the same terms.

7.3 Sec. 12. **ADMINISTRATION**

7.4	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>19,973,000</u>	<u>\$</u>	<u>19,617,000</u>
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7.5 Appropriations by Fund

7.6		<u>2010</u>	<u>2011</u>
7.7	<u>General</u>	<u>19,723,000</u>	<u>19,617,000</u>
7.8	<u>Special Revenue</u>		
7.9	Fund	250,000	0

7.10 The amounts that may be spent for each
7.11 purpose are specified in the following
7.12 subdivisions.

7.13	Subd. 2. Government and Citizen Services	<u>18,097,000</u>	<u>17,766,000</u>
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7.14 Appropriations by Fund

7.15	<u>General</u>	<u>17,847,000</u>	<u>17,766,000</u>
7.16	<u>Special Revenue</u>		
7.17	Fund	250,000	0

7.18 (a) \$802,000 the first year and \$802,000
7.19 the second year are for the Minnesota
7.20 Geospatial Information Office. Of the total
7.21 appropriation, \$10,000 per year is intended
7.22 for preparation of township acreage data in
7.23 Laws 2008, chapter 366, article 17, section
7.24 7, subdivision 3.

7.25 (b) \$74,000 the first year and \$74,000
7.26 the second year are for the Council on
7.27 Developmental Disabilities.

7.28 (c) \$127,000 the first year and \$127,000
7.29 the second year are for transfer to the
7.30 commissioner of human services for a grant
7.31 to the Council on Developmental Disabilities
7.32 for the purpose of establishing a statewide
7.33 self-advocacy network for persons with
7.34 intellectual and developmental disabilities
7.35 (ID/DD). The self-advocacy network shall:

8.1 (1) ensure that persons with ID/DD are
8.2 informed of their rights in employment,
8.3 housing, transportation, voting, government
8.4 policy, and other issues pertinent to the
8.5 ID/DD community; (2) provide public
8.6 education and awareness of the civil and
8.7 human rights issues persons with ID/DD
8.8 face; (3) provide funds, technical assistance,
8.9 and other resources for self-advocacy groups
8.10 across the state; and (4) organize systems of
8.11 communications to facilitate an exchange of
8.12 information between self-advocacy groups.
8.13 This appropriation must be included in the
8.14 base budget for the commissioner of human
8.15 services for the biennium beginning July 1,
8.16 2011.

8.17 (d) \$250,000 the first year and \$170,000 the
8.18 second year are to fund activities to prepare
8.19 for and promote the 2010 census.

8.20 (e) \$206,000 the first year and \$206,000 the
8.21 second year are for the Office of the State
8.22 Archaeologist.

8.23 (f) \$8,388,000 the first year and \$8,388,000
8.24 the second year are for office space costs of
8.25 the legislature and veterans organizations,
8.26 for ceremonial space, and for statutorily free
8.27 space.

8.28 (g) \$3,500,000 of the balance in the facilities
8.29 repair and replacement account in the special
8.30 revenue fund is canceled to the general
8.31 fund on July 1, 2009. This is a onetime
8.32 cancellation.

8.33 (h) The requirements imposed on
8.34 the commissioner of finance and the
8.35 commissioner of administration under

9.1 Laws 2007, chapter 148, article 1, section
9.2 12, subdivision 2, paragraph (b), relating
9.3 to the savings attributable to the real
9.4 property portfolio management system are
9.5 inoperative.

9.6 (i) \$250,000 is appropriated to the
9.7 commissioner of administration from the
9.8 information and telecommunications account
9.9 in the special revenue fund to continue
9.10 planning for data center consolidation,
9.11 including beginning a predesign study
9.12 and lifecycle cost analysis, and exploring
9.13 technologies to reduce energy consumption
9.14 and operating costs.

9.15	<u>Subd. 3. Administrative Management Support</u>	<u>1,876,000</u>	<u>1,851,000</u>
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9.16 \$125,000 each year is for the Office of
9.17 Grant Management. During the biennium
9.18 ending June 30, 2011, the commissioner
9.19 must recover this amount through deductions
9.20 in state grants subject to the jurisdiction
9.21 of the office. The commissioner may not
9.22 deduct more than 2.5 percent from the
9.23 amount of any grant. The amount deducted
9.24 from appropriations for these grants must be
9.25 deposited in the general fund.

9.26 \$25,000 the first year is for the Office
9.27 of Grants Management to study and
9.28 make recommendations on improving
9.29 collaborative activities between the state,
9.30 nonprofit entities, and the private sector,
9.31 including: (1) recommendations for
9.32 expanding successful initiatives involving
9.33 not-for-profit organizations that have
9.34 demonstrated measurable, positive results
9.35 in addressing high-priority community

10.1 issues; and (2) recommendations on grant
10.2 requirements and design to encourage
10.3 programs receiving grants to become
10.4 self-sufficient. The office may appoint an
10.5 advisory group to assist in the study and
10.6 recommendations. The office must report
10.7 its recommendations to the legislature by
10.8 January 15, 2010.

10.9 Sec. 13. **CAPITOL AREA**
10.10 **ARCHITECTURAL AND PLANNING**
10.11 **BOARD** \$ 354,000 \$ 354,000

10.12 Sec. 14. **FINANCE** \$ 20,718,000 \$ 20,218,000
10.13 \$500,000 the first year is for oversight and
10.14 reporting of federal funds received under the
10.15 American Recovery and Reinvestment Act
10.16 of 2009. This appropriation is available until
10.17 June 30, 2011.

10.18 Sec. 15. **REVENUE**
10.19 **Subdivision 1. Total Appropriation** \$ 128,756,000 \$ 132,172,000

10.20	<u>Appropriations by Fund</u>		
10.21		<u>2010</u>	<u>2011</u>
10.22	<u>General</u>	<u>124,509,000</u>	<u>127,937,000</u>
10.23	<u>Health Care Access</u>	<u>1,761,000</u>	<u>1,749,000</u>
10.24	<u>Highway User Tax</u>		
10.25	<u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
10.26	<u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

10.27 The amounts that may be spent for each
10.28 purpose are specified in subdivisions 2 and 3.

10.29 **Subd. 2. Tax System Management** 104,259,000 106,816,000

10.30	<u>Appropriations by Fund</u>		
10.31	<u>General</u>	<u>100,012,000</u>	<u>102,581,000</u>
10.32	<u>Health Care Access</u>	<u>1,761,000</u>	<u>1,749,000</u>
10.33	<u>Highway User Tax</u>		
10.34	<u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
10.35	<u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

11.1 The requirements imposed on the
11.2 commissioners of finance and revenue under
11.3 Laws 2007, chapter 148, article 1, section
11.4 16, subdivision 2, paragraph (d), relating to
11.5 the determination of savings attributable to
11.6 implementing the integrated tax software
11.7 package are inoperative.

11.8 (a) \$2,656,000 the first year and \$5,225,000
11.9 the second year are for additional activities
11.10 to identify and collect tax liabilities from
11.11 individuals and businesses that currently
11.12 do not pay all taxes owed. This initiative
11.13 is expected to result in new general fund
11.14 revenues of \$20,810,000 for the biennium
11.15 ending June 30, 2011.

11.16 (b) The department must report to the chairs
11.17 of the house of representatives Ways and
11.18 Means and senate Finance Committees by
11.19 March 1, 2010, and January 15, 2011, on the
11.20 following performance indicators:

11.21 (1) the number of corporations noncompliant
11.22 with the corporate tax system each year and
11.23 the percentage and dollar amounts of valid
11.24 tax liabilities collected;

11.25 (2) the number of businesses noncompliant
11.26 with the sales and use tax system and the
11.27 percentage and dollar amount of the valid tax
11.28 liabilities collected; and

11.29 (3) the number of individual noncompliant
11.30 cases resolved and the percentage and dollar
11.31 amounts of valid tax liabilities collected.

11.32	<u>Subd. 3. Debt Collection Management</u>	<u>24,497,000</u>	<u>25,356,000</u>
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11.33 \$811,000 the first year and \$1,670,000 the
11.34 second year are for additional activities

S.F. No. 2082, 3rd Engrossment - 86th Legislative Session (2009-2010) [s2082-3]

12.1 to identify and collect tax liabilities from
12.2 individuals and businesses that currently
12.3 do not pay all taxes owed. This initiative
12.4 is expected to result in new general fund
12.5 revenues of \$20,700,000 for the biennium
12.6 ending June 30, 2011.

12.7	Sec. 16. <u>GAMBLING CONTROL</u>	\$	<u>2,940,000</u>	\$	<u>2,940,000</u>
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12.8 These appropriations are from the lawful
12.9 gambling regulation account in the special
12.10 revenue fund.

12.11	Sec. 17. RACING COMMISSION	\$	899,000	\$	899,000
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12.12 These appropriations are from the racing
12.13 and card playing regulation accounts in the
12.14 special revenue fund.

12.15 **Sec. 18. STATE LOTTERY**

12.16 Notwithstanding Minnesota Statutes, section
12.17 349A.10, subdivision 3, the operating budget
12.18 must not exceed \$28,111,000 in fiscal year
12.19 2010 and \$28,740,000 in fiscal year 2011.

12.20	Sec. 19. TORT CLAIMS	\$	161,000	\$	161,000
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12.21 These appropriations are to be spent by
12.22 the commissioner of finance according
12.23 to Minnesota Statutes, section 3.736,
12.24 subdivision 7. If the appropriation for either
12.25 year is insufficient, the appropriation for the
12.26 other year is available for it.

12.27 **Sec. 20. MINNESOTA STATE RETIREMENT**
12.28 **SYSTEM**

12.29	Subdivision 1. Total Appropriation	\$	2,346,000	\$	2,405,000
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13.1	<u>The amounts that may be spent for each</u>		
13.2	<u>purpose are specified in the following</u>		
13.3	<u>subdivisions.</u>		
13.4	<u>Subd. 2. Legislators</u>	<u>1,889,000</u>	<u>1,937,000</u>
13.5	<u>Under Minnesota Statutes, sections 3A.03,</u>		
13.6	<u>subdivision 2; 3A.04, subdivisions 3 and 4;</u>		
13.7	<u>and 3A.115.</u>		
13.8	<u>Subd. 3. Constitutional Officers</u>	<u>457,000</u>	<u>468,000</u>
13.9	<u>Under Minnesota Statutes, section 352C.001.</u>		
13.10	<u>If an appropriation in this section for either</u>		
13.11	<u>year is insufficient, the appropriation for the</u>		
13.12	<u>other year is available for it.</u>		
13.13	<u>Sec. 21. MINNEAPOLIS EMPLOYEES</u>		
13.14	<u>RETIREMENT FUND</u>	<u>\$ 9,000,000</u>	<u>\$ 9,000,000</u>
13.15	<u>These amounts are estimated to be needed</u>		
13.16	<u>under Minnesota Statutes, section 422A.101,</u>		
13.17	<u>subdivision 3.</u>		
13.18	<u>Sec. 22. TEACHERS RETIREMENT</u>		
13.19	<u>ASSOCIATION</u>	<u>\$ 15,454,000</u>	<u>\$ 15,454,000</u>
13.20	<u>The amounts estimated to be needed are as</u>		
13.21	<u>follows:</u>		
13.22	<u>(a) Special direct state aid. \$12,954,000 the</u>		
13.23	<u>first year and \$12,954,000 the second year</u>		
13.24	<u>are for special direct state aid authorized</u>		
13.25	<u>under Minnesota Statutes, section 354A.12,</u>		
13.26	<u>subdivisions 3a and 3c.</u>		
13.27	<u>(b) Special direct state matching aid.</u>		
13.28	<u>\$2,500,000 the first year and \$2,500,000</u>		
13.29	<u>the second year are for special direct state</u>		
13.30	<u>matching aid authorized under Minnesota</u>		
13.31	<u>Statutes, section 354A.12, subdivision 3b.</u>		
13.32	<u>Sec. 23. ST. PAUL TEACHERS</u>		
13.33	<u>RETIREMENT FUND</u>	<u>\$ 2,827,000</u>	<u>\$ 2,827,000</u>

14.1	<u>The amounts estimated to be needed for</u>			
14.2	<u>special direct state aid to first class city</u>			
14.3	<u>teachers retirement funds authorized under</u>			
14.4	<u>Minnesota Statutes, section 354A.12,</u>			
14.5	<u>subdivisions 3a and 3c.</u>			
14.6	Sec. 24. <u>DULUTH TEACHERS</u>			
14.7	<u>RETIREMENT FUND</u>	\$	<u>346,000</u>	\$ <u>346,000</u>
14.8	<u>The amounts estimated to be needed for</u>			
14.9	<u>special direct state aid to first class city</u>			
14.10	<u>teachers retirement funds authorized under</u>			
14.11	<u>Minnesota Statutes, section 354A.12,</u>			
14.12	<u>subdivisions 3a and 3c.</u>			
14.13	Sec. 25. <u>AMATEUR SPORTS COMMISSION</u>	\$	<u>270,000</u>	\$ <u>270,000</u>
14.14	<u>The amount available for appropriation to</u>			
14.15	<u>the commission under Laws 2005, chapter</u>			
14.16	<u>156, article 2, section 43, is reduced in the</u>			
14.17	<u>first year and the second year by the amounts</u>			
14.18	<u>appropriated in this section.</u>			
14.19	Sec. 26. <u>COUNCIL ON BLACK</u>			
14.20	<u>MINNESOTANS</u>	\$	<u>316,000</u>	\$ <u>316,000</u>
14.21	Sec. 27. <u>COUNCIL ON CHICANO/LATINO</u>			
14.22	<u>AFFAIRS</u>	\$	<u>298,000</u>	\$ <u>298,000</u>
14.23	Sec. 28. <u>COUNCIL ON ASIAN-PACIFIC</u>			
14.24	<u>MINNESOTANS</u>	\$	<u>275,000</u>	\$ <u>275,000</u>
14.25	Sec. 29. <u>INDIAN AFFAIRS COUNCIL</u>	\$	<u>500,000</u>	\$ <u>500,000</u>
14.26	<u>\$32,000 each year is for activities of the</u>			
14.27	<u>council relating to Indian burial sites,</u>			
14.28	<u>including activities relating to unfunded</u>			
14.29	<u>federal mandates.</u>			
14.30	Sec. 30. <u>GENERAL CONTINGENT</u>			
14.31	<u>ACCOUNTS</u>	\$	<u>1,750,000</u>	\$ <u>500,000</u>

15.1	<u>Appropriations by Fund</u>		
15.2		<u>2010</u>	<u>2011</u>
15.3	<u>General</u>	<u>1,250,000</u>	<u>0</u>
15.4	<u>State Government</u>		
15.5	<u>Special Revenue</u>	<u>400,000</u>	<u>400,000</u>
15.6	<u>Workers'</u>		
15.7	<u>Compensation</u>	<u>100,000</u>	<u>100,000</u>

15.8 (a) The appropriations in this section
15.9 may only be spent with the approval of
15.10 the governor after consultation with the
15.11 Legislative Advisory Commission pursuant
15.12 to Minnesota Statutes, section 3.30.

15.13 (b) Of the appropriation to the general fund
15.14 contingent account, \$750,000 is a onetime
15.15 appropriation for potential state matching
15.16 requirements needed to maximize receipt of
15.17 federal funds under the American Recovery
15.18 and Reinvestment Act of 2009.

15.19 (c) If an appropriation in this section for
15.20 either year is insufficient, the appropriation
15.21 for the other year is available for it.

15.22 (d) If a contingent account appropriation
15.23 is made in one fiscal year, it should be
15.24 considered a biennial appropriation.

15.25 Sec. 31. **PROBLEM GAMBLING APPROPRIATION.**

15.26 \$225,000 in fiscal year 2010 and \$225,000 in fiscal year 2011 are appropriated from
15.27 the lottery prize fund to the Gambling Control Board for a grant to the state affiliate
15.28 recognized by the National Council on Problem Gambling. The affiliate must provide
15.29 services to increase public awareness of problem gambling, education and training for
15.30 individuals and organizations providing effective treatment services to problem gamblers
15.31 and their families, and research relating to problem gambling. These services must be
15.32 complimentary to and not duplicative of the services provided through the problem
15.33 gambling program administered by the commissioner of human services. Of this
15.34 appropriation, \$50,000 in fiscal year 2010 and \$50,000 in fiscal year 2011 are contingent
15.35 on the contribution of nonstate matching funds. Matching funds may be either cash or

qualifying in-kind contributions. The commissioner of finance may disburse the state portion of the matching funds in increments of \$25,000 upon receipt of a commitment for an equal amount of matching nonstate funds. These are onetime appropriations.

Sec. 32. **INDIRECT COST RECOVERY.**

To the extent that the federal government allows statewide indirect cost recovery against money received under the American Recovery and Reinvestment Act (ARRA), money recovered for the central administration, financial oversight, or public accountability of federal stimulus money in excess of any direct general fund appropriations made for these purposes is appropriated to the commissioner of finance. Money received under this section must be spent before any other general fund appropriations for ARRA activities. The commissioner of finance must reduce the unspent amount of general fund appropriations for federal stimulus money reporting and oversight activities by an amount equivalent to the money recovered under this section, up to the total amount of the unspent general fund appropriations.

ARTICLE 2

STATE GOVERNMENT OPERATIONS

Section 1. Minnesota Statutes 2008, section 3.303, subdivision 8, is amended to read:

Subd. 8. **Ethnic heritage and new Americans.** The commission shall undertake activities it determines are necessary to assist state government to foster an understanding and appreciation of ethnic and cultural diversity in Minnesota, to identify underutilized resources within the immigrant community, and to facilitate the full participation of immigrants in social, cultural, and political life in this state. The commission may appoint a working group under section 3.305, subdivision 6, to assist the commission in these duties. A working group under this subdivision may include legislators and public members. The commission may provide compensation for public members as provided in section 15.0575. In performing duties under this subdivision, the commission shall collaborate with the councils established in sections 3.9223, 3.9225, and 3.9226. This subdivision expires June 30, ~~2009~~ 2011.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2008, section 3.732, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the Housing Finance Agency, the Minnesota Office of Higher Education, the Higher Education Facilities Authority, the Health Technology Advisory Committee, the Armory Building Commission, the Zoological Board, the Iron Range Resources and Rehabilitation Board, the State Agricultural Society, the University of Minnesota, the Minnesota State Colleges and Universities, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota National Guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs or other similar hazardous explosives, as defined in section 299C.063, outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor except, for purposes of this section and section 3.736 only, a guardian ad litem acting under court appointment, or members of the Minnesota National Guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. Notwithstanding sections 43A.02 and 611.263, for purposes of this section and section 3.736 only, "employee of the state" includes a district public defender or assistant district public defender in the Second or Fourth Judicial District, ~~and~~ a member of the Health Technology Advisory Committee, and any officer, agent, or employee of the state of Wisconsin performing work for the state of Minnesota pursuant to a joint state initiative.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 3. Minnesota Statutes 2008, section 3.97, is amended by adding a subdivision to read:

Subd. 3b. Review of financial management and internal controls. The commission shall review legislative auditor reports and make recommendations, as the commission determines necessary, for improvements in the state's system of internal controls and financial management.

Sec. 4. Minnesota Statutes 2008, section 3.971, subdivision 6, is amended to read:

Subd. 6. **Financial audits.** The legislative auditor shall audit the financial statements of the state of Minnesota required by section 16A.50 and, as resources permit, shall audit Minnesota State Colleges and Universities, the University of Minnesota, state agencies, departments, boards, commissions, courts, and other state organizations subject to audit by the legislative auditor, including the State Agricultural Society, Agricultural Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco, Metropolitan Sports Facilities Commission, Metropolitan Airports Commission, and Metropolitan Mosquito Control District. Financial audits must be conducted according to generally accepted government auditing standards. The legislative auditor shall see that all provisions of law respecting the appropriate and economic use of public funds are complied with and may, as part of a financial audit or separately, investigate allegations of noncompliance ~~by employees of departments and agencies of the state government and the other organizations listed in this subdivision.~~

Sec. 5. Minnesota Statutes 2008, section 3.975, is amended to read:

3.975 DUTIES CONCERNING MISUSE OF PUBLIC MONEY OR OTHER RESOURCES.

If a legislative auditor's examination discloses that a state official or employee has used money for a purpose other than the purpose for which the money was appropriated or discloses any other misuse of public money or other public resources, the legislative auditor shall file a report with the Legislative Audit Commission, the attorney general, and the appropriate county attorney. The attorney general shall seek recovery of money and other resources as the evidence may warrant. The county attorney shall cause criminal proceedings to be instituted as the evidence may warrant.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 2008, section 4A.01, is amended to read:

~~4A.01 OFFICE OF STRATEGIC AND LONG-RANGE PLANNING.~~

Subdivision 1. **Duties.** The Office of Strategic and Long-Range Planning is created, with a director appointed by the governor. The commissioner of administration is the state planning officer and is responsible for the coordination, development, assessment, and communication of information, performance measures, planning, and policy concerning

the state's future. The commissioner may contract with another agency for the provision of administrative services.

Subd. 2. Long-range plan. By September 15, 2010, and every five years thereafter, the ~~Office of Strategic and Long-Range Planning~~ commissioner must develop an integrated long-range plan for the state based upon the plans and strategies of state agencies, public advice about the future, and other information developed under this chapter. The ~~office~~ commissioner must coordinate activities among all levels of government and must stimulate public interest and participation in the future of the state.

The ~~office~~ commissioner must act in coordination with the commissioner of finance, affected state agencies, and the legislature in the planning and financing of major public programs.

Subd. 3. Report. The commissioner must submit a report to the governor and chairs and ranking minority members of the senate and house of representatives committees with jurisdiction on state government finance by January 15 of each year that provides economic, social, and environmental demographic information to assist public and elected officials with long-term management decisions. The report must identify and assess the information important to understanding the state's two-, ten-, and 50-year outlook, including the budget implications for those time periods. The report must include the demographic forecast required by section 4A.02, paragraph (e), and information to assist with the preparation of the milestones report required by section 4A.11, and may include policy recommendations based upon the information and assessment provided.

Sec. 7. Minnesota Statutes 2008, section 4A.02, is amended to read:

4A.02 STATE DEMOGRAPHER.

(a) The ~~director~~ commissioner shall appoint a state demographer. The demographer must be professionally competent in demography and must possess demonstrated ability based upon past performance.

(b) The demographer shall:

(1) continuously gather and develop demographic data relevant to the state;

(2) design and test methods of research and data collection;

(3) periodically prepare population projections for the state and designated regions and periodically prepare projections for each county or other political subdivision of the state as necessary to carry out the purposes of this section;

(4) review, comment on, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies, or nongovernmental persons, institutions, or commissions;

(5) serve as the state liaison with the United States Bureau of the Census, coordinate state and federal demographic activities to the fullest extent possible, and aid the legislature in preparing a census data plan and form for each decennial census;

(6) compile an annual study of population estimates on the basis of county, regional, or other political or geographical subdivisions as necessary to carry out the purposes of this section and section 4A.03;

(7) by January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(8) prepare maps for all counties in the state, all municipalities with a population of 10,000 or more, and other municipalities as needed for census purposes, according to scale and detail recommended by the United States Bureau of the Census, with the maps of cities showing precinct boundaries;

(9) prepare an estimate of population and of the number of households for each governmental subdivision for which the Metropolitan Council does not prepare an annual estimate, and convey the estimates to the governing body of each political subdivision by June 1 of each year;

(10) direct, under section 414.01, subdivision 14, and certify population and household estimates of annexed or detached areas of municipalities or towns after being notified of the order or letter of approval by the chief administrative law judge of the State Office of Administrative Hearings;

(11) prepare, for any purpose for which a population estimate is required by law or needed to implement a law, a population estimate of a municipality or town whose population is affected by action under section 379.02 or 414.01, subdivision 14; and

(12) prepare an estimate of average household size for each statutory or home rule charter city with a population of 2,500 or more by June 1 of each year.

(c) A governing body may challenge an estimate made under paragraph (b) by filing their specific objections in writing with the state demographer by June 24. If the challenge does not result in an acceptable estimate, the governing body may have a special census conducted by the United States Bureau of the Census. The political subdivision must notify the state demographer by July 1 of its intent to have the special census conducted. The political subdivision must bear all costs of the special census. Results of the special census must be received by the state demographer by the next April 15 to be used in that year's June 1 estimate to the political subdivision under paragraph (b).

(d) The state demographer shall certify the estimates of population and household size to the commissioner of revenue by July 15 each year, including any estimates still under objection.

(e) The state demographer shall release a demographic forecast in conjunction with the commissioner of finance and the November state economic forecast.

(f) The state demographer may contract for the development of data and research required under this chapter, including, but not limited to, population estimates and projections, the preparation of maps, and other estimates.

EFFECTIVE DATE. Paragraph (e) is effective November 1, 2010.

Sec. 8. **[4A.11] MILESTONES REPORT.**

The commissioner must review the statewide system of economic, social, and environmental performance measures in use under section 16A.10, subdivision 1c, and known as Minnesota milestones. The commissioner must provide the economic, social, and environmental information necessary to assist public and elected officials with understanding and evaluating Minnesota milestones. The commissioner must report on the trends and their implications for Minnesota milestones each year and provide the commissioner of finance with recommendations for the use of Minnesota milestones in budget documents. The commissioner may contract for the development of information and measures.

Sec. 9. **[5.001] DEFINITIONS.**

Subdivision 1. **Applicability.** As used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. **Business entity.** "Business entity" means an organization that is formed under chapters 300, 301, 302A, 303, 308, 308A, 308B, 315, 317, 317A, 318, 319, 319A, 321, 322A, 322B, 323, or 323A and that has filed documents with the secretary of state.

Subd. 3. **Business entity filings.** "Business entity filings" means any filing from a business entity and also includes filings made under chapter 333.

Subd. 4. **Bulk data.** "Bulk data" means data that has commercial value and is a substantial or discrete portion of or an entire formula, pattern, compilation, program, device, method, technique, process, database, or system.

Sec. 10. **[5.002] E-MAIL ADDRESSES.**

(a) The secretary of state is authorized to provide a field on each of the forms and on each online entry screen, used to file business entity filings, Uniform Commercial Code records, and central notification system filings, for the collection of an e-mail address to which the secretary of state can forward official notices required by law and other notices to the business entity, assumed name, or the person filing the uniform commercial code or

22.1 central notification system record. The e-mail address may be updated by or on behalf of
22.2 the business entity by sending a notification of the change to the secretary of state. No fee
22.3 shall be charged for an e-mail address update.

22.4 (b) Except as provided in paragraph (c), the business entity, holder of assumed
22.5 name, or other person providing the e-mail address under this section may indicate on
22.6 the screen that they do not wish the e-mail address provided under this section to be
22.7 provided as bulk data.

22.8 (c) If the e-mail address in paragraph (b) is provided as a portion of a digitally
22.9 scanned image, the e-mail address on that image is public.

22.10 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
22.11 certifies that the information systems of the Office of the Secretary of State have been
22.12 modified to implement this section.

22.13 Sec. 11. Minnesota Statutes 2008, section 5.12, subdivision 1, is amended to read:

22.14 Subdivision 1. **Fees.** The secretary of state shall charge a fee of \$5 for each
22.15 certificate or certification of a copy or electronically transmitted image of any document
22.16 filed in the Office of the Secretary of State. The secretary of state shall charge a fee of
22.17 \$3 for a copy or electronically transmitted image of an original ~~filing of a corporation,~~
22.18 ~~limited partnership, assumed name, or trade or service mark~~ business entity filing. The
22.19 secretary of state shall charge a fee of \$3 for a copy or electronically transmitted image of
22.20 ~~any or all each~~ subsequent ~~filings of a corporation, limited partnership, assumed name,~~
22.21 ~~or trade or service mark~~ business entity filing. The secretary of state shall charge a fee
22.22 of ~~\$1 per page for copies~~ \$3 for a copy or electronically transmitted image of any other
22.23 ~~nonuniform commercial code documents~~ document filed with the secretary of state. At the
22.24 time of filing, the secretary of state may provide at the public counter, without charge, a
22.25 copy of a filing, ten or fewer pages in length, to the person making the filing.

22.26 **EFFECTIVE DATE.** This section is effective 30 days after the secretary of state
22.27 certifies that the information systems of the Office of the Secretary of State have been
22.28 modified to implement this section.

22.29 Sec. 12. Minnesota Statutes 2008, section 5.29, is amended to read:

22.30 ~~**5.29 BULK AGENT NAME AND ADDRESS CHANGES GLOBAL FILINGS.**~~

22.31 ~~The filing fee charged for filing an amendment is charged for each document~~
22.32 ~~filed~~ (a) When a registered agent for multiple business entities files an instrument that
22.33 changes its name or office address pursuant to sections 302A.123, subdivision 3; 303.10;

~~308A.025, subdivision 5; 317A.123, subdivision 3; 318.02; and 322B.135, subdivision 3; and chapters 321, 323, and 323A, but the cumulative fee shall not exceed \$10,000 for entities governed by the provisions of chapters 302A, 303, 308A, 317A, 318, 322A, 322B, 323, and 323A, the change for each business entity must be filed online as a separate transaction, and a separate filing fee charged. The aggregate fee for a filing under this paragraph shall not exceed \$35,000.~~

(b) When a secured party wishes to file an amendment to a financing statement making a change in secured party or debtor name and address information, each amendment must be filed online as a separate transaction and a separate filing fee charged.

EFFECTIVE DATE. This section is effective 30 days after the secretary of state certifies that the information systems of the Office of the Secretary of State have been modified to implement this section.

Sec. 13. Minnesota Statutes 2008, section 5.32, is amended to read:

5.32 TEMPORARY TECHNOLOGY SURCHARGE.

Subdivision 1. **Surcharge.** For fiscal years 2008 ~~and~~ 2009, 2010, and 2011, the following technology surcharges are imposed on the filing fees required under the following statutes:

(1) \$25 for articles of incorporation filed under section 302A.151;

(2) \$25 for articles of organization filed under section 322B.17;

(3) \$25 for applications for certificates of authority to transact business in Minnesota filed under section 303.06;

(4) \$20 for annual reports filed by non-Minnesota corporations under section 303.14; and

(5) \$50 for reinstatements to authority to transact business in Minnesota filed under section 303.19.

Subd. 2. **Deposit.** The surcharges listed in subdivision 1 shall be deposited into the uniform commercial code account.

Subd. 3. **Expiration.** This section expires June 30, ~~2009~~ 2011.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 14. **[5.34] ANNUAL RENEWAL FILINGS.**

Any business registered with the secretary of state required to file an annual renewal in order to maintain its active status, good standing, or existence under Minnesota Statutes shall file that renewal, whether online or otherwise, in a format that states:

- 24.1 (1) the name in Minnesota of the organization for which the renewal is filed;
24.2 (2) the name of the organization in the jurisdiction in which it is organized, if
24.3 different;
24.4 (3) the address of the registered office or designated office and the name of the
24.5 registered agent of the organization for service of process, if any;
24.6 (4) the jurisdiction in which the organization is organized, if that jurisdiction is
24.7 not Minnesota;
24.8 (5) the name and business address of the officer or other person exercising the
24.9 principal functions of the president of a nonprofit corporation, manager of a limited
24.10 liability company, or chief executive officer of a corporation or cooperative;
24.11 (6) the address of the principal executive office of a domestic business corporation
24.12 or of a limited liability company or the principal place of business of a cooperative, if
24.13 different from the registered office address;
24.14 (7) the address of the designated office and the name, street, and mailing address of
24.15 the agent for service of process in Minnesota of a limited partnership or foreign limited
24.16 partnership;
24.17 (8) the street and mailing address of the principal office of a limited partnership;
24.18 (9) the street and mailing address of the chief executive office of a partnership and, if
24.19 different, the street address of an office of a partnership in Minnesota, if any;
24.20 (10) the name, street, mailing address, and telephone number of an individual
24.21 who may be contacted for purposes other than services of process on behalf of a
24.22 limited partnership or a limited liability partnership, if the agent for the limited liability
24.23 partnership, limited partnership, or foreign limited partnership is not an individual; and
24.24 (11) the e-mail address of the organization to which notices from the secretary of
24.25 state will be directed, if the organization has an e-mail address.

24.26 Sec. 15. Minnesota Statutes 2008, section 5A.03, is amended to read:

24.27 **5A.03 ORGANIZATION APPLICATION FOR REGISTRATION.**

24.28 (a) An application for registration as an international student exchange visitor
24.29 placement organization must be submitted in the form prescribed by the secretary of
24.30 state. The application must include:

24.31 (1) evidence that the organization meets the standards established by the secretary of
24.32 state by rule;

24.33 (2) the name, address, and telephone number of the organization, its chief executive
24.34 officer, and the person within the organization who has primary responsibility for
24.35 supervising placements within the state;

- 25.1 (3) the organization's unified business identification number, if any;
- 25.2 (4) the organization's United States Information Agency number, if any;
- 25.3 (5) evidence of Council on Standards for International Educational Travel listing, if
- 25.4 any;
- 25.5 (6) whether the organization is exempt from federal income tax; and
- 25.6 (7) a list of the organization's placements in Minnesota for the previous academic
- 25.7 year including the number of students placed, their home countries, the school districts in
- 25.8 which they were placed, and the length of their placements.
- 25.9 (b) The application must be signed by the chief executive officer of the organization
- 25.10 and the person within the organization who has primary responsibility for supervising
- 25.11 placements within Minnesota. If the secretary of state determines that the application is
- 25.12 complete, the secretary of state shall file the application and the applicant is registered.
- 25.13 (c) Organizations that have registered shall inform the secretary of state of any
- 25.14 changes in the information required under paragraph (a), clause (1), within 30 days of the
- 25.15 change. There is no fee to amend a registration.
- 25.16 (d) Registration under this chapter is valid for one year. The registration may be
- 25.17 renewed annually. The fee to renew a registration is \$50 per year.
- 25.18 (e) Organizations registering for the first time in Minnesota must pay an initial
- 25.19 registration fee of \$150.
- 25.20 (f) Fees collected by the secretary of state under this section must be deposited in the
- 25.21 state treasury and credited to the general fund ~~and are added to the appropriation from~~
- 25.22 ~~which registration costs are paid.~~

25.23 Sec. 16. Minnesota Statutes 2008, section 5A.06, is amended to read:

25.24 **5A.06 COMPLAINTS.**

25.25 The secretary of state may, upon receipt of a complaint regarding an international

25.26 student exchange organization, report the matter to the organization involved, the ~~United~~

25.27 ~~States Information Agency, Office of Exchange Coordination and Designation, United~~

25.28 States Department of State, or the Council on Standards for International Educational

25.29 Travel, as the secretary of state considers appropriate. The secretary may also investigate

25.30 complaints received under this section to determine if the complaint is limited to one

25.31 high school or if there are systemic problems with placements made by a particular

25.32 organization. The secretary of state may terminate an organization's registration if the

25.33 secretary determines the organization has failed to remain in compliance with local, state,

25.34 and federal statutes, rules, and regulations.

Sec. 17. [10.49] NAMING.

Laws enacted on or after July 1, 2009, must not be named for living people, and laws may not name councils, buildings, roads, or other facilities or entities after living people.

Sec. 18. Minnesota Statutes 2008, section 10A.31, subdivision 4, is amended to read:

Subd. 4. **Appropriation.** ~~(a)~~ The amounts designated by individuals for the state elections campaign fund, less three percent, are appropriated from the general fund, must be transferred and credited to the appropriate account in the state elections campaign fund, and are annually appropriated for distribution as set forth in subdivisions 5, 5a, 6, and 7. The remaining three percent must be kept in the general fund for administrative costs.

(b) In addition to the amounts in paragraph (a), ~~\$1,250,000~~ \$1,020,000 for each general election is appropriated from the general fund for transfer to the general account of the state elections campaign fund.

~~Of this appropriation, \$65,000 each fiscal year must be set aside to pay assessments made by the Office of Administrative Hearings under section 211B.37. Amounts remaining after all assessments have been paid must be canceled to the general account.~~

Sec. 19. Minnesota Statutes 2008, section 11A.07, subdivision 4, is amended to read:

Subd. 4. **Duties and powers.** The director, at the direction of the state board, shall:

(1) plan, direct, coordinate, and execute administrative and investment functions in conformity with the policies and directives of the state board and the requirements of this chapter and of chapter 356A;

(2) prepare and submit biennial and annual budgets to the board and with the approval of the board submit the budgets to the Department of Finance;

(3) employ professional and clerical staff as necessary. Employees whose primary responsibility is to invest or manage money or employees who hold positions designated as unclassified under section 43A.08, subdivision 1a, are in the unclassified service of the state. Other employees are in the classified service. Unclassified employees who are not covered by a collective bargaining agreement are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b;

(4) report to the state board on all operations under the director's control and supervision;

(5) maintain accurate and complete records of securities transactions and official activities;

(6) establish a policy relating to the purchase and sale of securities on the basis of competitive offerings or bids. The policy is subject to board approval;

(7) cause securities acquired to be kept in the custody of the commissioner of finance or other depositories consistent with chapter 356A, as the state board deems appropriate;

(8) prepare and file with the director of the Legislative Reference Library, by December 31 of each year, a report summarizing the activities of the state board, the council, and the director during the preceding fiscal year. The report must be prepared so as to provide the legislature and the people of the state with a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return, and the yield to the state treasury and to each of the funds whose assets are invested by the state board, and the recipients of business placed or commissions allocated among the various commercial banks, investment bankers, money managers, and brokerage organizations and the amount of these commissions or other fees. The report must contain financial statements for funds managed by the board prepared in accordance with generally accepted accounting principles. The report must include an executive summary;

(9) include on the state board's Web site its annual report and an executive summary of its quarterly reports;

~~(9)~~ (10) require state officials from any department or agency to produce and provide access to any financial documents the state board deems necessary in the conduct of its investment activities;

~~(10)~~ (11) receive and expend legislative appropriations; and

~~(11)~~ (12) undertake any other activities necessary to implement the duties and powers set forth in this subdivision consistent with chapter 356A.

Sec. 20. Minnesota Statutes 2008, section 13.64, is amended to read:

13.64 DEPARTMENT OF ~~ADMINISTRATION~~ FINANCE DATA.

(a) Notes and preliminary drafts of reports created, collected, or maintained by the Management Analysis Division, Department of ~~Administration~~ finance, and prepared during management studies, audits, reviews, consultations, or investigations are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued.

(b) Data that support the conclusions of the report and that the commissioner of ~~administration~~ finance reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no longer being actively pursued.

(c) Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if:

(1) the data supplied by the individual were needed for a report; and

28.1 (2) the data would not have been provided to the Management Analysis Division
28.2 without an assurance to the individual that the individual's identity would remain private,
28.3 or the Management Analysis Division reasonably believes that the individual would not
28.4 have provided the data.

28.5 Sec. 21. Minnesota Statutes 2008, section 15.01, is amended to read:

28.6 **15.01 DEPARTMENTS OF THE STATE.**

28.7 The following agencies are designated as the departments of the state government:
28.8 the Department of Administration; the Department of Agriculture; the Department of
28.9 Commerce; the Department of Corrections; the Department of Education; the Department
28.10 of Employment and Economic Development; ~~the Department of Finance~~; the Department
28.11 of Health; the Department of Human Rights; the Department of Labor and Industry;
28.12 the Department of Management and Budget; the Department of Military Affairs; the
28.13 Department of Natural Resources; the Department of Public Safety; the Department of
28.14 Human Services; the Department of Revenue; the Department of Transportation; the
28.15 Department of Veterans Affairs; and their successor departments.

28.16 Sec. 22. Minnesota Statutes 2008, section 15.06, subdivision 1, is amended to read:

28.17 Subdivision 1. **Applicability.** This section applies to the following departments
28.18 or agencies: the Departments of Administration, Agriculture, Commerce, Corrections,
28.19 Education, Employment and Economic Development, ~~Finance~~, Health, Human Rights,
28.20 Labor and Industry, Management and Budget, Natural Resources, Public Safety, Human
28.21 Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and
28.22 Pollution Control Agencies; the Office of Commissioner of Iron Range Resources and
28.23 Rehabilitation; the Bureau of Mediation Services; and their successor departments and
28.24 agencies. The heads of the foregoing departments or agencies are "commissioners."

28.25 Sec. 23. Minnesota Statutes 2008, section 15A.0815, subdivision 2, is amended to read:

28.26 Subd. 2. **Group I salary limits.** The salaries for positions in this subdivision may
28.27 not exceed 95 percent of the salary of the governor:

28.28 Commissioner of administration;

28.29 Commissioner of agriculture;

28.30 Commissioner of education;

28.31 Commissioner of commerce;

28.32 Commissioner of corrections;

28.33 ~~Commissioner of finance;~~

29.1 Commissioner of health;
29.2 Executive director, Minnesota Office of Higher Education;
29.3 Commissioner, Housing Finance Agency;
29.4 Commissioner of human rights;
29.5 Commissioner of human services;
29.6 Commissioner of labor and industry;
29.7 Commissioner of management and budget;
29.8 Commissioner of natural resources;
29.9 Director of Office of Strategic and Long-Range Planning;
29.10 Commissioner, Pollution Control Agency;
29.11 Executive director, Public Employees Retirement Association;
29.12 Commissioner of public safety;
29.13 Commissioner of revenue;
29.14 Executive director, State Retirement System;
29.15 Executive director, Teachers Retirement Association;
29.16 Commissioner of employment and economic development;
29.17 Commissioner of transportation; and
29.18 Commissioner of veterans affairs.

29.19 Sec. 24. **[15C.01] DEFINITIONS.**

29.20 Subdivision 1. **Scope.** For purposes of this chapter, the terms in this section have
29.21 the meanings given them.

29.22 Subd. 2. **Claim.** "Claim" includes a request or demand, whether under a contract or
29.23 otherwise, for money or property that is made by a contractor, grantee, or other recipient
29.24 to the state or a political subdivision if the state or the political subdivision has provided or
29.25 will provide a portion of the money or property that is requested or demanded, or if the
29.26 state or the political subdivision has reimbursed or will reimburse the contractor, grantee,
29.27 or other recipient for a portion of the money or property that is requested or demanded.

29.28 Subd. 3. **Knowing and knowingly.** "Knowing" and "knowingly" mean that a
29.29 person, with respect to information:

29.30 (1) has actual knowledge of the information;

29.31 (2) acts in deliberate ignorance of the truth or falsity of the information; or

29.32 (3) acts in reckless disregard of the truth or falsity of the information.

29.33 No proof of specific intent to defraud is required, but in no case is a person who acts
29.34 merely negligently, inadvertently, or mistakenly with respect to information deemed
29.35 to have acted knowingly.

Subd. 4. **Original source.** "Original source" means a person who has direct and independent knowledge of information that is probative of an essential element of the allegations in an action brought under this chapter that was not obtained from a public source and who either voluntarily provided the information to the state or the political subdivision before bringing an action based on the information or whose information provided the basis for or caused an investigation, hearing, audit, or report that led to the public disclosure of the allegations or transactions upon which an action brought under this chapter is based.

Subd. 5. **Person.** "Person" means a natural person, partnership, corporation, association or other legal entity but does not include the state or a political subdivision.

Subd. 6. **Political subdivision.** "Political subdivision" means a political subdivision of the state and includes a department or agency of a political subdivision.

Subd. 7. **Prosecuting attorney.** "Prosecuting attorney" means:

(1) the attorney general, if the false or fraudulent claim involves money, property, or services provided by the state; or

(2) the county attorney, city attorney, or other attorney representing a political subdivision, if the false or fraudulent claim involves money, property, or services provided by the political subdivision.

Subd. 8. **State.** "State" means the state of Minnesota and includes a department or agency of the state.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 25. **[15C.02] LIABILITY FOR CERTAIN ACTS.**

(a) A person who commits any act described in clauses (1) to (7) is liable to the state or the political subdivision for a civil penalty of not less than \$5,500 and not more than \$11,000 per false or fraudulent claim, plus three times the amount of damages that the state or the political subdivision sustains because of the act of that person, except as otherwise provided in paragraph (b):

(1) knowingly presents, or causes to be presented, to an officer or employee of the state or a political subdivision a false or fraudulent claim for payment or approval;

(2) knowingly makes or uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the state or a political subdivision;

(3) knowingly conspires to either present a false or fraudulent claim to the state or a political subdivision for payment or approval or makes, uses, or causes to be made or used a false record or statement to obtain payment or approval of a false or fraudulent claim;

31.1 (4) has possession, custody, or control of public property or money used, or to
31.2 be used, by the state or a political subdivision and knowingly delivers or causes to be
31.3 delivered to the state or a political subdivision less money or property than the amount
31.4 for which the person receives a receipt;

31.5 (5) is authorized to prepare or deliver a receipt for money or property used, or to be
31.6 used, by the state or a political subdivision and knowingly prepares or delivers a receipt
31.7 that falsely represents the money or property;

31.8 (6) knowingly buys, or receives as a pledge of an obligation or debt, public property
31.9 from an officer or employee of the state or a political subdivision who lawfully may
31.10 not sell or pledge the property; or

31.11 (7) knowingly makes or uses, or causes to be made or used, a false record or
31.12 statement to conceal, avoid, or decrease an obligation to pay or transmit money or property
31.13 to the state or a political subdivision.

31.14 (b) The court may assess not less than two times the amount of damages that the
31.15 state or the political subdivision sustains because of the act of the person if:

31.16 (1) the person committing a violation under paragraph (a) furnished an officer or
31.17 employee of the state or the political subdivision responsible for investigating the false or
31.18 fraudulent claim violation with all information known to the person about the violation
31.19 within 30 days after the date on which the person first obtained the information;

31.20 (2) the person fully cooperated with any investigation by the state or the political
31.21 subdivision of the violation; and

31.22 (3) at the time the person furnished the state or the political subdivision with
31.23 information about the violation, no criminal prosecution, civil action, or administrative
31.24 action had been commenced under this chapter with respect to the violation and the person
31.25 did not have actual knowledge of the existence of an investigation into the violation.

31.26 (c) A person violating this section is also liable to the state or the political
31.27 subdivision for the costs of a civil action brought to recover any penalty or damages.

31.28 (d) A person is not liable under this section for mere negligence, inadvertence, or
31.29 mistake with respect to activities involving a false or fraudulent claim.

31.30 (e) An employer is not liable for an act committed by a nonmanagerial employee
31.31 that violates this section, unless the employer had knowledge of the act, ratified the act, or
31.32 was reckless in the hiring or supervision of the employee.

31.33 (f) Except in cases where proof of specific intent to defraud the state or a political
31.34 subdivision is found, a person is not liable under this section if:

31.35 (1) the person has been informed by the original source that single or multiple false
31.36 or fraudulent claims have been made against the state or a political subdivision; and

(2) the person repays the amount of actual damages to the state or the political subdivision within 45 days after being so informed. If the person has a compliance office, an original source is not considered to have informed the person of a false or fraudulent claim unless the original source reported it to the person's compliance office.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 26. **[15C.03] EXCLUSION.**

This chapter does not apply to claims, records, or statements made under portions of Minnesota Statutes relating to taxation.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 27. **[15C.04] RESPONSIBILITIES OF PROSECUTING ATTORNEY.**

Subdivision 1. General. A prosecuting attorney may investigate violations of section 15C.02. If a prosecuting attorney finds that a person has violated or is violating section 15C.02, the prosecuting attorney may bring a civil action under this chapter against the person to enjoin an act in violation of section 15C.02 and to recover damages and penalties.

Subd. 2. Attorney general investigatory powers. In connection with an investigation under this section, the attorney general has the powers listed in section 8.31, subdivisions 2 and 3.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 28. **[15C.05] PRIVATE REMEDIES; COMPLAINT UNDER SEAL; COPY OF COMPLAINT AND WRITTEN DISCLOSURE OF EVIDENCE TO BE SENT TO PROSECUTING ATTORNEY.**

(a) Except as otherwise provided in this section, a person may maintain an action under this chapter on the person's own account and that of the state if money, property, or services provided by the state are involved; the person's own account and that of a political subdivision if money, property, or services provided by the political subdivision are involved; or on the person's own account and that of both the state and a political subdivision if both are involved. After an action is commenced, it may be voluntarily dismissed only if the court and the prosecuting attorney give written consent to the dismissal and their reasons for consenting.

(b) If an action is brought under this section, no other person may bring another action under this section based on the same facts that are the subject of the pending action.

(c) An action may not be maintained under this section:

(1) against the state, the legislature, the judiciary, the executive branch, or a political subdivision, or their respective officers, members, or employees;

(2) if the action is based upon allegations or transactions that are the subject of a civil action or an administrative proceeding for a monetary penalty to which the state or a political subdivision is already a party; or

(3) unless the action is brought by an original source of the information or the prosecuting attorney initiates or intervenes in the action, if the action is based upon the public disclosure of allegations or transactions: (i) in a criminal, civil, or administrative hearing; (ii) in an investigation, report, hearing, or audit conducted by or at the request of the house of representatives or the senate; (iii) by an auditor or the governing body of a political subdivision; or (iv) by the news media.

(d) A complaint in an action under this section must be commenced by filing the complaint with the court in chambers and the court must place it under seal for at least 60 days. No service may be made upon the defendant until the complaint is unsealed.

(e) If a complaint is filed under this section, the plaintiff shall serve a copy of the complaint on the prosecuting attorney in accordance with the Minnesota Rules of Civil Procedure and at the same time shall serve a written disclosure of all material evidence and information the plaintiff possesses.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 29. [15C.06] PROSECUTING ATTORNEY INTERVENTION; MOTION TO EXTEND TIME; UNSEALING OF COMPLAINT.

(a) Within 60 days after receiving a complaint and disclosure under section 15C.05, the prosecuting attorney shall intervene or decline intervention or, for good cause shown, move the court to extend the time for doing so. The motion may be supported by affidavits or other submissions in chambers.

(b) The complaint must be unsealed after the prosecuting attorney decides whether or not to intervene.

(c) Notwithstanding the prosecuting attorney's decision regarding intervention in an action brought by a plaintiff under section 15C.05, the prosecuting attorney may pursue the claim through any alternate remedy available to the state, including an administrative proceeding to determine a civil monetary penalty. If the prosecuting attorney pursues an alternate remedy in another proceeding, the person initiating the action has the same rights in that proceeding as if the action had continued under section 15C.05. A finding of fact or conclusion of law made in the other proceeding that has become final is conclusive on

all parties to an action under section 15C.05. For purposes of this paragraph, a finding or conclusion is final if it has been finally determined on appeal to the appropriate state court, if the time for filing an appeal has expired, or if the finding or conclusion is not subject to judicial review.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 30. **[15C.07] SERVICE OF UNSEALED COMPLAINT AND RESPONSE BY DEFENDANT.**

When unsealed, the complaint must be served on the defendant pursuant to Rule 3 of the Minnesota Rules of Civil Procedure. The defendant must respond to the complaint within 20 days after it is served on the defendant.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 31. **[15C.08] PROSECUTING ATTORNEY AND PRIVATE PARTY ROLES.**

(a) Except as otherwise provided by this section, if the prosecuting attorney does not intervene at the outset in an action brought by a person under section 15C.05, the person has the same rights in conducting the action as the prosecuting attorney would have. A copy of each pleading or other paper filed in the action and a copy of the transcript of each deposition taken must be mailed to the prosecuting attorney if the prosecuting attorney so requests and pays the cost of doing so.

(b) If the prosecuting attorney elects not to intervene at the outset of the action, the prosecuting attorney may intervene subsequently, upon timely application and good cause shown. If the prosecuting attorney so intervenes, the prosecuting attorney subsequently has primary responsibility for conducting the action.

(c) If the prosecuting attorney elects at the outset of the action to intervene, the prosecuting attorney has the primary responsibility for prosecuting the action. The person who initially brought the action remains a party but the person's acts do not bind the prosecuting attorney.

(d) Whether or not the prosecuting attorney intervenes in the action, the prosecuting attorney may move to dismiss the action for good cause. The person who brought the action must be notified of the filing of the motion and may oppose it and present evidence at the hearing. The prosecuting attorney may also settle the action. If the prosecuting attorney intends to settle the action, the prosecuting attorney shall notify the person who brought the action. The state or the political subdivision may settle the action with the defendant notwithstanding the objections of the person initiating the action if the court

35.1 determines, after a hearing, that the proposed settlement is fair, adequate, and reasonable
35.2 under all the circumstances. Upon a showing of good cause, the hearing may be held in
35.3 chambers.

35.4 **EFFECTIVE DATE.** This section is effective July 1, 2010.

35.5 Sec. 32. **[15C.09] STAY OF DISCOVERY; EXTENSION.**

35.6 (a) The court may stay discovery by a person who brought an action under section
35.7 15C.05 for not more than 60 days if the prosecuting attorney shows that the proposed
35.8 discovery would interfere with the investigation or prosecution of a civil or criminal
35.9 matter arising out of the same facts, whether or not the prosecuting attorney participates
35.10 in the action.

35.11 (b) The court may extend the stay upon a further showing that the prosecuting
35.12 attorney has pursued the civil or criminal investigation or proceeding with reasonable
35.13 diligence and that the proposed discovery would interfere with its continuation. Discovery
35.14 may not be stayed for a total of more than six months over the objection of the person who
35.15 brought the action, except for good cause shown by the prosecuting attorney.

35.16 (c) A showing made pursuant to this section must be made in chambers.

35.17 **EFFECTIVE DATE.** This section is effective July 1, 2010.

35.18 Sec. 33. **[15C.10] COURT-IMPOSED LIMITATION UPON PARTICIPATION**
35.19 **OF PRIVATE PLAINTIFF IN ACTION.**

35.20 Upon a showing by the prosecuting attorney in an action in which the prosecuting
35.21 attorney has intervened that unrestricted participation by a person under this chapter would
35.22 interfere with or unduly delay the conduct of the action, or would be repetitious, irrelevant,
35.23 or solely for harassment, the court may limit the person's participation by limiting the
35.24 number of witnesses, the length of the testimony of the witnesses, the cross-examination
35.25 of witnesses by the person, or by other measures.

35.26 **EFFECTIVE DATE.** This section is effective July 1, 2010.

35.27 Sec. 34. **[15C.11] LIMITATION OF ACTIONS; REMEDIES.**

35.28 (a) An action under this chapter may not be commenced more than three years after
35.29 the date of discovery of the fraudulent activity by the prosecuting attorney or more than
35.30 six years after the fraudulent activity occurred, whichever occurs later, but in no event
35.31 more than ten years after the date on which the violation is committed.

(b) A finding of guilt in a criminal proceeding charging a false statement or fraud, whether upon a verdict of guilty or a plea of guilty or nolo contendere, stops the person found guilty from denying an essential element of that offense in an action under this chapter based upon the same transaction as the criminal proceeding.

(c) In an action under this chapter, the state or the political subdivision and any plaintiff under section 15C.05 must prove the essential elements of the cause of action, including damages, by a preponderance of the evidence.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 35. **[15C.12] AWARD OF EXPENSES AND ATTORNEY FEES.**

If the prosecuting attorney or a person who brought an action under section 15C.05 prevails in or settles an action under this chapter, the court may authorize the prosecuting attorney or person to recover reasonable costs, reasonable attorney fees, and the reasonable fees of expert consultants and expert witnesses. These expenses must be awarded against the defendant and are not allowed against the state or a political subdivision. If the prosecuting attorney does not intervene in the action and the person bringing the action conducts the action and the defendant prevails in the action, the court shall award to the defendant reasonable expenses and attorney fees against the person bringing the action if it finds that the action was clearly frivolous or vexatious or brought in substantial part for harassment. The state or a political subdivision is not liable for expenses, attorney fees, or other costs incurred by a person in bringing or defending an action under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 36. **[15C.13] DISTRIBUTION TO PRIVATE PLAINTIFF IN CERTAIN ACTIONS.**

If the prosecuting attorney intervenes at the outset in an action brought by a person under section 15C.05, the person is entitled to receive not less than 15 percent or more than 25 percent of any recovery in proportion to the person's contribution to the conduct of the action. If the prosecuting attorney does not intervene in the action at any time, the person is entitled to receive not less than 25 percent or more than 30 percent of any recovery of the civil penalty and damages, or settlement, as the court determines is reasonable. If the prosecuting attorney does not intervene in the action at the outset but subsequently intervenes, the person is entitled to receive not less than 15 percent or more than 30 percent of any recovery, as the court determines is reasonable based on the person's participation in the action before the prosecuting attorney intervened.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 37. **[15C.14] EMPLOYER RESTRICTIONS; LIABILITY.**

(a) An employer must not adopt or enforce any rule or policy forbidding an employee to disclose information to the state, a political subdivision, or a law enforcement agency, or to act in furtherance of an action under this chapter, including investigation for, bringing, or testifying in the action.

(b) An employer must not discharge, demote, suspend, threaten, harass, deny promotion to, or otherwise discriminate against an employee in the terms or conditions of employment because of lawful acts done by the employee on the employee's behalf or on behalf of others in disclosing information to the state, a political subdivision, or a law enforcement agency in furtherance of an action under this chapter, including investigation for bringing or testifying in the action.

(c) An employer who violates this section is liable to the affected employee in a civil action for damages and other relief, including reinstatement, twice the amount of lost compensation, interest on the lost compensation, any special damage sustained as a result of the discrimination, and punitive damages if appropriate. The employer is also liable for expenses recoverable under section 15C.12, including costs and attorney fees.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 38. **[15C.15] DEPOSIT OF STATE FUNDS; FALSE CLAIMS ACCOUNT.**

Subdivision 1. **Deposit of funds.** The net proceeds received by the state in an action under this chapter, after distributions made to private plaintiffs and as otherwise required by federal law, must be deposited in the state treasury and credited as follows:

(1) the portion of net proceeds equal to the amount of the actual damages that the state sustains because of an act specified in section 15C.02 must be credited to the fund that sustained the damages;

(2) the portion of net proceeds equal to the additional recovery of federal money authorized by United States Code, title 42, section 1396h, for a recovery under this chapter, as determined by the commissioner of finance, must be credited to the false claims account under subdivision 2, provided that the amount credited may not exceed \$1,000,000 in a fiscal year; and

(3) the remainder of the net proceeds must be credited to the general fund.

Subd. 2. **False claims account.** A false claims account is established in the special revenue fund in the state treasury. The commissioner of finance may enter into interagency agreements to deposit up to \$2,055,000 for litigation and related expenses under this act.

38.1 Money in the account deposited through interagency agreement or under subdivision 1 is
38.2 annually appropriated to the attorney general for purposes of this chapter.

38.3 **EFFECTIVE DATE.** Subdivision 2 is effective the day following final enactment.

38.4 Sec. 39. **[15C.16] REPORTING.**

38.5 The attorney general shall report to the chairs and ranking minority members of the
38.6 senate and house of representatives committees with jurisdiction over state government
38.7 finance by January 15 each year, on activities under this chapter during the prior calendar
38.8 year. The report must include:

38.9 (1) the number of complaints received by the attorney general under section 15C.05;

38.10 (2) the number of times the attorney general intervened and declined to intervene
38.11 after receiving a complaint;

38.12 (3) an estimate of the amount of time spent by attorneys in the attorney general's
38.13 office and an estimate of the amount of time spent by other staff in the attorney general's
38.14 office on activities under this chapter; and

38.15 (4) net proceeds received by the state in each action under this chapter.

38.16 Sec. 40. Minnesota Statutes 2008, section 16A.01, subdivision 1, is amended to read:

38.17 Subdivision 1. **Commissioner.** The commissioner of ~~finance~~ finance management and
38.18 budget manages the Department of ~~Finance~~ Finance Management and Budget, which may also be
38.19 known as Minnesota Management and Budget. The commissioner is the state's controller
38.20 and chief accounting and financial officer.

38.21 Sec. 41. Minnesota Statutes 2008, section 16A.055, subdivision 1, is amended to read:

38.22 Subdivision 1. **List.** (a) The commissioner shall:

38.23 (1) receive and record all money paid into the state treasury and safely keep it until
38.24 lawfully paid out;

38.25 (2) manage the state's financial affairs;

38.26 (3) keep the state's general account books according to generally accepted
38.27 government accounting principles;

38.28 (4) keep expenditure and revenue accounts according to generally accepted
38.29 government accounting principles;

38.30 (5) develop, provide instructions for, prescribe, and manage a state uniform
38.31 accounting system; and

38.32 (6) provide to the state the expertise to ensure that all state funds are accounted for
38.33 under generally accepted government accounting principles; ~~and.~~

~~(7) coordinate the development of, and maintain standards for, internal auditing in state agencies and, in cooperation with the commissioner of administration, report to the legislature and the governor by January 31 of odd-numbered years, on progress made.~~

(b) In addition to the duties in paragraph (a), the commissioner has the powers and duties given to the commissioner in chapter 43A.

Sec. 42. Minnesota Statutes 2008, section 16A.055, is amended by adding a subdivision to read:

Subd. 1a. **Additional duties.** The commissioner may assist state agencies by providing analytical, statistical, and organizational development services to state agencies in order to assist the agency to achieve the agency's mission and to operate efficiently and effectively.

Sec. 43. **[16A.056] WEB SITE WITH SEARCHABLE DATABASE ON STATE EXPENDITURES.**

Subdivision 1. **Web database requirement.** The commissioner, in consultation with the commissioners of administration and revenue and the legislative auditor, must maintain a Web site with a searchable database providing the public with information on state contracts, state appropriations, state expenditures, state tax expenditures, and state entities that are the subject of audits. The Web site must not include information that is not public data, as defined in section 13.02, subdivision 8a. For each data field identified in subdivisions 2 to 6, the searchable database must allow a user of the Web site to:

- (1) perform a search using that field;
- (2) sort by that field;
- (3) obtain information grouped or aggregated by that field, where groups or subtotals are feasible; and
- (4) view information in that field by each fiscal year.

The searchable database may accommodate grouping and aggregating by allowing the user to download the data into a user-controlled database.

Subd. 2. **Contracts.** (a) The searchable database on the Web site must include at least the following data fields on state contracts:

- (1) the name of the entity receiving the contract;
- (2) the name of the agency entering into the contract;
- (3) an indication if the contract is for (i) goods; (ii) professional or technical services; (iii) services other than professional and technical services; or (iv) a grant; and
- (4) the fund or funds from which the entity receiving the contract will be paid.

40.1 (b) For each contract, the database must also include:

40.2 (1) an address for each entity receiving a contract; and

40.3 (2) a brief statement of the purpose of the contract or grant.

40.4 (c) Information on a new contract or grant must be entered into the database within

40.5 30 days after the contract or grant is entered into.

40.6 (d) For purposes of this section, a "grant" is a contract between a state agency and

40.7 a recipient, the primary purpose of which is to transfer cash or a thing of value to the

40.8 recipient to support a public purpose. Grant does not include aid payments to units of local

40.9 government, payments to state employees, or payments made under laws providing for

40.10 assistance to individuals.

40.11 Subd. 3. **Appropriations.** The searchable database on the Web site must include

40.12 at least the following data fields on state appropriations:

40.13 (1) the agency receiving the appropriation, or the name of the nonstate entity

40.14 receiving state money;

40.15 (2) the agency program, to the extent applicable;

40.16 (3) the agency activity, to the extent applicable;

40.17 (4) an item within an activity if applicable;

40.18 (5) the fund from which the appropriation is made; and

40.19 (6) the object of expenditure.

40.20 Subd. 4. **State expenditures.** The searchable database on the Web site must include

40.21 at least the following data fields on state expenditures:

40.22 (1) the name of the agency or nonstate entity making the expenditure;

40.23 (2) the agency program, to the extent applicable;

40.24 (3) the agency activity, to the extent applicable;

40.25 (4) an item within an activity if applicable;

40.26 (5) the fund from which the expenditure is made; and

40.27 (6) the object of expenditure.

40.28 Subd. 5. **Tax expenditures.** The Web site must include a searchable database of

40.29 state tax expenditures. For each fiscal year, the database must include data fields showing

40.30 the estimated impact on state revenues of each tax expenditure item listed in the report

40.31 prepared under section 270C.11.

40.32 Subd. 6. **Audits.** The Web site required by this section must include a link to a

40.33 Web site containing the findings and results from the audits completed by the legislative

40.34 auditor that have been released to the public.

41.1 Subd. 7. **Retention of data.** The database required under this section must include
41.2 information beginning with fiscal year 2010 appropriations and must retain data for at
41.3 least ten years.

41.4 Subd. 8. **Consultation.** The commissioner of finance must consult with the
41.5 chairs of the house of representatives Ways and Means and senate Finance Committees
41.6 before encumbering any money appropriated on or after July 1, 2009, for the planning,
41.7 development, and implementation of state accounting or procurement systems. No money
41.8 appropriated for these purposes may be spent unless the commissioner certifies that the
41.9 systems will allow compliance with requirements of this section.

41.10 **EFFECTIVE DATE.** This section is effective the day following certification by the
41.11 commissioner of finance that a new statewide accounting and procurement system has
41.12 been implemented.

41.13 Sec. 44. **[16A.057] INTERNAL CONTROLS AND INTERNAL AUDITING.**

41.14 Subdivision 1. **Establishment of system.** The commissioner is responsible for
41.15 the system of internal controls across the executive branch. The commissioner must
41.16 coordinate the design, implementation, and maintenance of an effective system of internal
41.17 controls and internal auditing for all executive agencies. The system must:

41.18 (1) safeguard public funds and assets and minimize incidences of fraud, waste,
41.19 and abuse;

41.20 (2) ensure that programs are administered in compliance with federal and state
41.21 laws and rules; and

41.22 (3) require documentation of internal control procedures over financial management
41.23 activities, provide for analysis of risks, and provide for periodic evaluation of control
41.24 procedures to satisfy the commissioner that these procedures are adequately designed,
41.25 properly implemented, and functioning effectively.

41.26 Subd. 2. **Standards.** The commissioner must adopt internal control standards
41.27 and policies that agencies must follow to meet the requirements of subdivision 1. These
41.28 standards and policies may include separation of duties, safeguarding receipts, time entry,
41.29 approval of travel, and other topics the commissioner determines are necessary to comply
41.30 with subdivision 1.

41.31 Subd. 3. **Training and assistance.** The commissioner shall coordinate training
41.32 for accounting personnel and financial managers in state agencies on internal controls
41.33 as necessary to ensure financial integrity in the state's financial transactions. The
41.34 commissioner shall provide internal control support to agencies that the commissioner
41.35 determines need this assistance.

42.1 Subd. 4. **Sharing internal audit resources.** The commissioner must administer a
42.2 program for sharing internal auditors among executive agencies that do not have their own
42.3 internal auditors and for assembling interagency teams of internal auditors as necessary.

42.4 Subd. 5. **Monitoring Office of the Legislative Auditor audits.** The commissioner
42.5 must review audit reports from the Office of the Legislative Auditor and take appropriate
42.6 steps to address internal control problems found in executive agencies.

42.7 Subd. 6. **Budget for internal controls.** The commissioner of finance may require
42.8 that each executive agency spend a specified percentage of its operating budget on internal
42.9 control systems. The commissioner of finance may require that an agency transfer a
42.10 portion of its operating budget to the commissioner to pay for internal control functions
42.11 performed by the commissioner.

42.12 Subd. 7. **Annual report.** The commissioner must report to the legislative audit
42.13 commission and the governor by January 31 of each odd-numbered year on the system of
42.14 internal controls and internal auditing in executive agencies.

42.15 Subd. 8. **Agency head responsibilities.** The head of each executive agency is
42.16 responsible for designing, implementing, and maintaining an effective internal control
42.17 system within the agency that complies with the requirements of subdivision 1, clauses (1)
42.18 to (4). The head of each executive agency must annually certify that the agency head has
42.19 reviewed the agency's internal control systems, and that these systems are in compliance
42.20 with standards and policies established by the commissioner. The agency head must
42.21 submit the signed certification form to the commissioner of finance, in a form specified by
42.22 the commissioner.

42.23 Subd. 9. **State colleges and universities.** This section does not apply to the
42.24 Minnesota state colleges and universities system.

42.25 Sec. 45. Minnesota Statutes 2008, section 16A.126, subdivision 1, is amended to read:

42.26 Subdivision 1. **Set rates.** The commissioner shall approve the rates an agency must
42.27 pay to a revolving fund for services. Funds subject to this subdivision include, but are
42.28 not limited to, the revolving funds established in sections 4A.05; 14.46; 14.53; 16B.48;
42.29 16B.54; 16B.58; 16B.85; 16C.03, subdivision 11; 16E.14; 43A.55; and 176.591; and the
42.30 fund established in section 43A.30.

42.31 Sec. 46. Minnesota Statutes 2008, section 16A.133, subdivision 1, is amended to read:

42.32 Subdivision 1. **Payroll direct deposit and deductions.** An agency head in the
42.33 executive, judicial, and legislative branch shall, upon written request signed by an

employee, directly deposit all or part of an employee's pay to those credit unions or financial institutions, as defined in section 47.015, designated by the employee.

An agency head ~~may~~ must, upon written request of an employee, deduct from the pay of the employee a requested amount to be paid to the Minnesota Benefit Association, or to any ~~organization~~ organizations contemplated by section 179A.06, of which the employee is a member. ~~If an employee has more than one account with the Minnesota Benefit Association or more than one organization under section 179A.06, only the Minnesota Benefit Association and one organization, as defined under section 179A.06, may be paid money by payroll deduction from the employee's pay.~~

Sec. 47. Minnesota Statutes 2008, section 16A.139, is amended to read:

16A.139 MISAPPROPRIATION OF MONEY.

~~It is illegal for any~~ (a) No official or head of any state department in the executive, legislative, or judicial branches, or any employee thereof of a state department in those branches, to may intentionally use moneys money appropriated by law, or fees collected knowing that the use is for any other a purpose other than the purpose for which the moneys have been money was appropriated, and any such act by any. Unless a greater penalty is specified elsewhere in law, a person who violates this paragraph is guilty of a gross misdemeanor.

(b) A violation of paragraph (a) by a head of a department, or any state official, is cause for immediate removal of the official or head of a state department from the position held with the government of this state. A criminal conviction under paragraph (a) is not a prerequisite for removal. This paragraph does not apply to a judge, a constitutional officer, or a legislator, except as potential grounds for expulsion, impeachment, or recall in the manner specified in article IV, section 7, and article VIII of the Minnesota Constitution.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 48. Minnesota Statutes 2008, section 16A.151, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific injured persons or entities, this section does not prohibit distribution of money to the specific injured persons or entities on whose behalf the litigation or settlement efforts were initiated. If money recovered on behalf of injured persons or entities cannot reasonably be distributed to those persons or entities because they cannot readily be

located or identified or because the cost of distributing the money would outweigh the benefit to the persons or entities, the money must be paid into the general fund.

(b) Money recovered on behalf of a fund in the state treasury other than the general fund may be deposited in that fund.

(c) This section does not prohibit a state official from distributing money to a person or entity other than the state in litigation or potential litigation in which the state is a defendant or potential defendant.

(d) State agencies may accept funds as directed by a federal court for any restitution or monetary penalty under United States Code, title 18, section 3663(a)(3) or United States Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue account and are appropriated to the commissioner of the agency for the purpose as directed by the federal court.

~~(e) Subdivision 1 does not apply to a recovery or settlement of less than \$750,000.~~

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to actions commenced on or after that date.

Sec. 49. Minnesota Statutes 2008, section 16A.152, is amended by adding a subdivision to read:

Subd. 8. Report on budget reserve percentage. (a) The commissioner of finance must periodically review the formula developed as part of the Budget Trends Study Commission authorized by Laws 2007, chapter 148, article 2, section 81, to estimate the percentage of the preceding biennium's general fund expenditures and transfers recommended as a budget reserve.

(b) The commissioner must annually review the variables and coefficients in the formula used to model the base of the general fund taxes and the mix of taxes that provide revenues to the general fund. If the commissioner determines that the variables and coefficients have changed enough to result in a change in the percentage of the preceding biennium's general fund expenditures and transfers recommended as a budget reserve, the commissioner must update the variables and coefficients in the formula to reflect the current base and mix of general fund taxes.

(c) Every ten years, the commissioner must review the methodology underlying the formula, taking into consideration relevant economic literature from the past ten years, and determine if the formula remains adequate as a tool for estimating the percentage of the preceding biennium's general fund expenditures and transfers recommended as a budget reserve. If the commissioner determines that the methodology underlying the formula is outdated, the commissioner must revise the formula.

(d) By January 15 of each year, the commissioner must report to the chairs and ranking minority members of the house of representatives Committee on Ways and Means and the senate Committee on Finance, in compliance with sections 3.195 and 3.197, on the percentage of the preceding biennium's general fund expenditures and transfers recommended as a budget reserve. The report must specify:

(1) if the commissioner updated the variables and coefficients in the formula to reflect significant changes to either the base of one or more general fund taxes or to the mix of taxes that provide revenues to the general fund as provided in paragraph (b);

(2) if the commissioner revised the formula after determining the methodology was outdated as provided in paragraph (c); and

(3) if the percentage of the preceding biennium's general fund expenditures and transfers recommended as a budget reserve has changed as a result of an update of or a revision to the formula.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 50. **[16A.81] TECHNOLOGY DEVELOPMENT LEASE-PURCHASE FINANCING.**

Subdivision 1. **Definitions.** The following definitions apply to this section.

(a) "Technology system project" means the development, acquisition, installation, and implementation of a technology system that is essential to state operations and is expected to have a long useful life.

(b) "Lease-purchase agreement" means an agreement for the lease and installment purchase of a technology system project, or a portion of the project, between the commissioner, on behalf of the state, and a vendor or a third-party financing source.

(c) "Technology development lease-purchase guidelines" means policies, procedures, and requirements established by the commissioner for technology system projects that are financed pursuant to a lease-purchase agreement.

Subd. 2. **Lease-purchase financing.** The commissioner may enter into a lease-purchase agreement in an amount sufficient to fund a technology system project and authorize the public or private sale and issuance of certificates of participation, provided that:

(1) the technology system project has been authorized by law to be funded pursuant to a lease-purchase agreement;

(2) the term of the lease-purchase agreement and the related certificates of participation shall not exceed the lesser of the expected useful life of the technology

system project financed by the lease-purchase agreement and the certificates or ten years from the date of issuance of the lease-purchase agreement and the certificates;

(3) the principal amount of the lease-purchase agreement and the certificates is sufficient to provide for the costs of issuance, capitalized interest, credit enhancement, or reserves, if any, as required under the lease-purchase agreement;

(4) funds sufficient for payment of lease obligations have been committed in the authorizing legislation for the technology system project for the fiscal year during which the lease-purchase agreement is entered into; provided that no lease-purchase agreement shall obligate the state to appropriate funds sufficient to make lease payments due under such agreement in any future fiscal year; and

(5) planned expenditures for the technology system project are permitted within the technology development lease-purchase guidelines.

Subd. 3. **Covenants.** The commissioner may covenant in a lease-purchase agreement that the state will abide by the terms and provisions that are customary in lease-purchase financing transactions, including but not limited to, covenants providing that the state:

(1) will maintain insurance as required under the terms of the lease-purchase agreement;

(2) is responsible to the lessor for any public liability or property damage claims or costs related to the selection, use, or maintenance of the technology system project, to the extent of insurance or self-insurance maintained by the state, and for costs and expenses incurred by the lessor as a result of any default by the state; or

(3) authorizes the lessor to exercise the rights of a secured party with respect to the technology system project or any portion of the project in the event of default or nonappropriation of funds by the state, and for the present recovery of lease payments due during the current term of the lease-purchase agreement as liquidated damages in the event of default.

Subd. 4. **Credit and appropriation of proceeds.** Proceeds of the lease-purchase agreement and certificates of participation must be credited to a technology lease project fund in the state treasury. Net income from investment of the proceeds, as estimated by the commissioner, must be credited to the appropriate accounts in the technology lease project fund. Funds in the technology lease project fund are appropriated for the purposes described in the authorizing law for each technology development project and this section.

Subd. 5. **Transfer of funds.** Before the lease-purchase proceeds are received in the technology lease project fund, the commissioner may transfer to that fund from the general fund amounts not exceeding the expected proceeds from the lease-purchase agreement

and certificates of participation. The commissioner shall return these amounts to the general fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the technology lease project fund.

Subd. 6. **Administrative expenses.** Actual and necessary travel and subsistence expenses of employees and all other nonsalary expenses incidental to the sale, printing, execution, and delivery of the lease-purchase agreement and certificates of participation may be paid from the lease-purchase proceeds. The lease-purchase proceeds are appropriated for this purpose.

Subd. 7. **Treatment of technology lease project fund.** Lease-purchase proceeds remaining in the technology lease project fund after the purposes for which the lease-purchase agreement was undertaken are accomplished or abandoned, as determined by the commissioner, must be transferred to the general fund.

Subd. 8. **Lease-purchase not public debt.** A lease-purchase agreement does not constitute or create a general or moral obligation or indebtedness of the state in excess of the money from time to time appropriated or otherwise available for payments or obligations under such agreement. Payments due under a lease-purchase agreement during a current lease term for which money has been appropriated is a current expense of the state.

Subd. 9. **Tax treatment.** Property purchased subject to a lease-purchase agreement under this section is not subject to personal property taxes. The purchaser of property for lease to the state under a valid lease-purchase agreement under this section is not subject to the sales tax on the purchase of the property or on the payments received under the agreement, but the state is subject to the tax under chapter 297A on property acquired under the agreement.

Subd. 10. **Refunding certificates.** The commissioner from time to time may enter into a new lease-purchase agreement and issue and sell certificates of participation for the purpose of refunding any lease-purchase agreement and related certificates of participation then outstanding, including the payment of any redemption premiums, any interest accrued or that is to accrue to the redemption date, and costs related to the issuance and sale of such refunding certificates. The proceeds of any refunding certificates may, in the discretion of the commissioner, be applied to the purchase or payment at maturity of the certificates to be refunded, to the redemption of outstanding lease-purchase agreements and certificates on any redemption date, or to pay interest on the refunding lease-purchase agreements and certificates and may, pending such application, be placed in escrow to be applied to such purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under

section 11A.24. The income earned or realized on any authorized investment may also be applied to the payment of the lease-purchase agreements and certificates to be refunded, interest or premiums on the refunded certificates, or to pay interest on the refunding lease-purchase agreements and certificates. After the terms of the escrow have been fully satisfied, any balance of proceeds and any investment income may be returned to the general fund, or if applicable, the technology lease project fund, for use in a lawful manner. All refunding lease-purchase agreements and certificates issued under the provisions of this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the lease-purchase agreements and certificates to be refunded.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 51. **[16A.82] TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

\$3,548,000 in fiscal year 2010; \$3,546,000 in fiscal year 2011; and \$10,054,000 in each fiscal year 2012 through 2019 are appropriated from the general fund to the commissioner to make payments under a lease-purchase agreement as defined in section 16A.81 for replacement of the state's accounting and procurement systems, provided that the state is not obligated to continue such appropriation of funds or to make lease payments in any future fiscal year. Any unexpended portions of this appropriation cancel to the general fund at the close of each biennium. This section expires June 30, 2020.

Sec. 52. Minnesota Statutes 2008, section 16B.24, is amended by adding a subdivision to read:

Subd. 5b. Employee fitness and wellness facilities. An entity in the executive, legislative, or judicial branch may use space under its control to offer fitness, wellness, or similar classes or activities to its employees, and may allow persons conducting these classes or activities to charge employees a fee to participate. Revenue received by a public entity under this section is appropriated to the entity. This authorization applies to all state space, including property in the Capitol area, and other designated property as defined in rules adopted by the commissioner of public safety. Persons conducting these classes or activities, and participating employees, waive any and all claims of liability against the state for any damage or injury arising from the use of state space for employee fitness and wellness classes or similar classes or activities. Persons conducting these classes or activities agree to indemnify, save, and hold the state, its agents, and employees harmless from any claims or causes of action, including attorney fees incurred by the state that arise from these classes or activities.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 53. **[16B.242] ENTERPRISE REAL PROPERTY ACCOUNT.**

The enterprise real property technology system and services account is created in the special revenue fund. Receipts credited to the account are appropriated to the commissioner of administration for the purpose of funding the personnel and technology to maintain the enterprise real property system and services.

Sec. 54. **[16B.2421] BIRD-SAFE BUILDINGS.**

Between March 15 and May 31 and between August 15 and October 31 each year, occupants of state-owned or state-leased buildings must attempt to reduce dangers posed to migrating birds by turning off building lights between midnight and dawn, to the extent turning off lights is consistent with the normal use of the buildings. The commissioner of administration may adopt policies to implement this requirement.

Sec. 55. **[16B.99] GEOSPATIAL INFORMATION OFFICE.**

Subdivision 1. **Creation.** The Minnesota Geospatial Information Office is created under the supervision of the commissioner of administration.

Subd. 2. **Responsibilities; authority.** The office has authority to provide coordination, guidance, and leadership, and to plan the implementation of Minnesota's geospatial information technology. The office must identify, coordinate, and guide strategic investments in geospatial information technology systems, data, and services to ensure effective implementation and use of Geospatial Information Systems (GIS) by state agencies to maximize benefits for state government as an enterprise.

Subd. 3. **Duties.** (a) The office must:

(1) coordinate and guide the efficient and effective use of available federal, state, local, and public-private resources to develop statewide geospatial information technology, data, and services;

(2) provide leadership and outreach, and ensure cooperation and coordination for all GIS functions in state and local government, including coordination between state agencies, intergovernment coordination between state and local units of government, and extragovernment coordination, which includes coordination with academic and other private and nonprofit sector GIS stakeholders;

(3) review state agency and intergovernment geospatial technology, data, and services development efforts involving state or intergovernment funding, including federal funding;

(4) provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;

(5) coordinate management of geospatial technology, data, and services between state and local governments;

(6) provide coordination, leadership, and consultation to integrate government technology services with GIS infrastructure and GIS programs;

(7) work to avoid or eliminate unnecessary duplication of existing GIS technology services and systems, including services provided by other public and private organizations while building on existing governmental infrastructures;

(8) promote and coordinate consolidated geospatial technology, data, and services and shared geospatial Web services for state and local governments; and

(9) promote and coordinate geospatial technology training, technical guidance, and project support for state and local governments.

Subd. 4. Duties of chief geospatial information officer. (a) In consultation with the state geospatial advisory council, the commissioner of administration, the commissioner of finance, and the Minnesota chief information officer, the chief geospatial information officer must identify when it is cost-effective for agencies to develop and use shared information and geospatial technology systems, data, and services. The chief geospatial information officer may require agencies to use shared information and geospatial technology systems, data, and services.

(b) The chief geospatial information officer, in consultation with the state geospatial advisory council, must establish reimbursement rates in cooperation with the commissioner of finance to bill agencies and other governmental entities sufficient to cover the actual development, operation, maintenance, and administrative costs of the shared systems. The methodology for billing may include the use of interagency agreements, or other means as allowed by law.

Subd. 5. Fees. (a) The chief geospatial information officer must set fees under section 16A.1285 that reflect the actual cost of providing information products and services to clients. Fees collected must be deposited in the state treasury and credited to the Minnesota Geospatial Information Office revolving account. Money in the account is appropriated to the chief geospatial information officer for providing GIS consulting services, software, data, Web services, and map products on a cost-recovery basis, including the cost of services, supplies, material, labor, and equipment as well as the portion of the general support costs and statewide indirect costs of the office that is attributable to the delivery of these products and services. Money in the account must not be used for the general operation of the Minnesota Geospatial Information Office.

(b) The chief geospatial information officer may require a state agency to make an advance payment to the revolving account sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving account is abolished or liquidated, the total net profit from the operation of the account must be distributed to the various funds from which purchases were made. For a given period of time, the amount of total net profit to be distributed to each fund must reflect the same ratio of total purchases attributable to each fund divided by the total purchases from all funds.

Subd. 6. **Accountability.** The chief geospatial information officer is appointed by the commissioner of administration and must work closely with the Minnesota chief information officer who shall advise on technology projects, standards, and services.

Subd. 7. **Discretionary powers.** The office may:

(1) enter into contracts for goods or services with public or private organizations and charge fees for services it provides;

(2) apply for, receive, and expend money from public agencies;

(3) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;

(4) enter into contracts with agencies of the federal government, local government units, the University of Minnesota and other educational institutions, and private persons and other nongovernment organizations as necessary to perform its statutory duties;

(5) appoint committees and task forces to assist the office in carrying out its duties;

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to geospatial information and technology issues;

(7) participate in the activities and conferences related to geospatial information and communications technology issues;

(8) review the GIS technology infrastructure of regions of the state and cooperate with and make recommendations to the governor, legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of GIS information and technology infrastructure development potential;

(9) sponsor, support, and facilitate innovative and collaborative geospatial systems technology, data, and services projects; and

(10) review and recommend alternative sourcing strategies for state geospatial information systems technology, data, and services.

Subd. 8. **Geospatial advisory councils created.** The chief geospatial information officer must establish a governance structure that includes advisory councils to provide recommendations for improving the operations and management of geospatial technology

52.1 within state government and also on issues of importance to users of geospatial technology
52.2 throughout the state.

52.3 (a) A statewide geospatial advisory council must advise the Minnesota Geospatial
52.4 Information Office regarding the improvement of services statewide through the
52.5 coordinated, affordable, reliable, and effective use of geospatial technology. The
52.6 commissioner of administration must appoint the members of the council. The members
52.7 must represent a cross-section of organizations including counties, cities, universities,
52.8 business, nonprofit organizations, federal agencies, and state agencies. No more than
52.9 20 percent of the members may be employees of a state agency. In addition, the chief
52.10 geospatial information officer must be a nonvoting member.

52.11 (b) A state government geospatial advisory council must advise the Minnesota
52.12 Geospatial Information Office on issues concerning improving state government services
52.13 through the coordinated, affordable, reliable, and effective use of geospatial technology.
52.14 The commissioner of administration must appoint the members of the council. The
52.15 members must represent up to 15 state government agencies and constitutional offices,
52.16 including the Office of Enterprise Technology and the Minnesota Geospatial Information
52.17 Office. The council must be chaired by the chief geographic information officer. A
52.18 representative of the statewide geospatial advisory council must serve as a nonvoting
52.19 member.

52.20 (c) Members of both the statewide geospatial advisory council and the state
52.21 government advisory council must be recommended by a process that ensures that each
52.22 member is designated to represent a clearly identified agency or interested party category
52.23 and that complies with the state's open appointment process. Members shall serve a
52.24 term of two years.

52.25 (d) The Minnesota Geospatial Information Office must provide administrative
52.26 support for both geospatial advisory councils.

52.27 (e) This subdivision expires June 30, 2011.

52.28 Subd. 9. **Report to legislature.** By January 15, 2010, the chief geospatial
52.29 information officer must provide a report to the chairs and ranking minority members of
52.30 the legislative committees with jurisdiction over the policy and budget for the office. The
52.31 report must address all statutes that refer to the land management information center
52.32 or land management information system and provide any necessary draft legislation to
52.33 implement any recommendations.

52.34 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 56. Minnesota Statutes 2008, section 16C.16, is amended by adding a subdivision to read:

Subd. 6a. **Veteran-owned small businesses.** (a) The commissioner shall award up to a six percent preference, but no less than the percentage awarded to any other group under this section, in the amount bid on state procurement to certified small businesses that are majority-owned and operated either:

(1) by recently separated veterans, who are veterans as defined in section 197.447, who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs; or

(2) by veterans who are veterans as defined in section 197.447, with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs.

(b) The purpose of this designation is to facilitate the transition of veterans from military to civilian life, and to help compensate veterans for their sacrifices, including but not limited to their sacrifice of health and time, to the state and nation during their military service, as well as to enhance economic development within Minnesota.

(c) For purposes of this section and section 16C.19, "service-connected disability" has the meaning given in United States Code, title 38, section 101(16), as determined by the United States Department of Veterans Affairs.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to procurement contract bid solicitations issued on and after that date.

Sec. 57. Minnesota Statutes 2008, section 16C.19, is amended to read:

16C.19 ELIGIBILITY; RULES.

(a) A small business wishing to participate in the programs under section 16C.16, subdivisions 4 to 7, must be certified by the commissioner. The commissioner shall adopt by rule standards and procedures for certifying that small businesses, small targeted group businesses, and small businesses located in economically disadvantaged areas are eligible to participate under the requirements of sections 16C.16 to 16C.21. The commissioner shall adopt by rule standards and procedures for hearing appeals and grievances and other rules necessary to carry out the duties set forth in sections 16C.16 to 16C.21.

(b) The commissioner may make rules which exclude or limit the participation of nonmanufacturing business, including third-party lessors, brokers, franchises, jobbers,

54.1 manufacturers' representatives, and others from eligibility under sections 16C.16 to
54.2 16C.21.

54.3 (c) The commissioner may make rules that set time limits and other eligibility limits
54.4 on business participation in programs under sections 16C.16 to 16C.21.

54.5 (d) Notwithstanding paragraph (c), for purposes of sections 16C.16 to 16C.21,
54.6 a veteran-owned small business or service-disabled veteran-owned small business, the
54.7 principal place of business of which is in Minnesota, is certified if:

54.8 (1) it has been verified by the United States Department of Veterans Affairs as being
54.9 a veteran-owned small business in accordance with Public Law 109-461 and Code of
54.10 Federal Regulations, title 38, part 74, and a majority of the owners of the business are
54.11 recently separated veterans as provided in section 16C.16, subdivision 6a; or

54.12 (2) it has been verified by the United States Department of Veterans Affairs as being
54.13 a service-disabled veteran-owned small business in accordance with Public Law 109-461
54.14 and Code of Federal Regulations, title 38, part 74.

54.15 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
54.16 procurement contract bid solicitations issued on and after that date.

54.17 Sec. 58. Minnesota Statutes 2008, section 16C.20, is amended to read:

54.18 **16C.20 CERTIFICATION.**

54.19 A business that is certified by the commissioner of administration as a small
54.20 business, small targeted group business, ~~or~~ a small business located in an economically
54.21 disadvantaged area, or a veteran-owned small business is eligible to participate under the
54.22 requirements of sections 137.31 and 161.321 and, if certified as a small business, ~~or~~ small
54.23 targeted group business, or veteran-owned small business, under section 473.142 without
54.24 further certification by the contracting agency.

54.25 **EFFECTIVE DATE.** This section is effective July 1, 2009, and applies to
54.26 procurement contract bid solicitations issued on and after that date.

54.27 Sec. 59. **[16E.22] STATEWIDE ELECTRONIC LICENSING SYSTEM.**

54.28 Subdivision 1. **Account established; appropriation.** The statewide electronic
54.29 licensing account is created in the special revenue fund. Receipts and transfers credited to
54.30 the account are appropriated to the state chief information officer for completion of the
54.31 Minnesota electronic licensing system, for transferring licensing agencies to the system,
54.32 and for operation and maintenance of the system during the completion and transfer period.

Subd. 2. **Requirements.** The transfer of an existing electronic licensing system to the Minnesota electronic licensing system may not reduce the critical functionality provided by the existing system.

Subd. 3. **Temporary licensing surcharge.** (a) Except as provided in this subdivision, executive branch state agencies shall collect a temporary surcharge of ten percent of the licensing fee, but no less than \$5 and no more than \$150 on each business, commercial, professional, or occupational license that:

(1) requires a fee; and

(2) will be transferred to the Minnesota electronic licensing system, as determined by the state chief information officer.

The surcharge applies to initial license applications and license renewals. Each agency that issues a license subject to this subdivision shall collect the surcharge for the license for up to six years between July 1, 2009, and June 30, 2015, as directed by the state chief information officer. Receipts from the surcharge shall be deposited in the statewide licensing account established in subdivision 1.

(b) An agency may transfer an amount equivalent to the surcharge imposed under this section from existing license accounts to the statewide electronic licensing system account in lieu of collecting the surcharge required under this section. If a transfer is made under this subdivision or under section 45.24, the temporary surcharge required under paragraph (a) does not apply to the relevant license. Transfers received under this paragraph shall be deposited in the statewide licensing account established in subdivision 1.

(c) In lieu of collecting the surcharge imposed in paragraph (a), during each fiscal year beginning July 1, 2009, and ending June 30, 2015, one or more health-related boards established in chapter 214 may transfer funds from the health occupations licensing account in the state government special revenue fund to the statewide electronic licensing system account to meet the requirements under paragraph (b). If the commissioner of finance determines that the balance of the health occupations licensing account established in section 214.06, subdivision 1a, is insufficient to make transfers under paragraph (b), then the temporary surcharge required under paragraph (a) must be applied to the relevant licenses.

(d) Department of Commerce licensees who are paying for an existing electronic licensing database system under section 45.24 must not be required to pay the surcharge under this section.

Subd. 4. **Contract authority.** The state chief information officer may enter into a risk-share or phased agreement with a vendor to complete the Minnesota electronic licensing system and to transfer licensing agencies to the system, provided that the

payment for the vendor's services under the agreement is limited to the revenue from the surcharge enacted under subdivision 3, after payment of state operating and maintenance costs. The agreement must clearly indicate that the state chief information officer may only expend amounts actually collected from the surcharge, after state operations and maintenance costs have been paid, in payment for the vendor's services and that the vendor assumes this risk when performing work under the contract. This section does not require the state chief information officer to pay the vendor the entire amount of the surcharge revenue that remains after payment of state operations and maintenance costs. Before entering into a contract under this subdivision, the state chief information officer must consult with the commissioner of finance regarding the implementation of the surcharge and the terms of the contract.

Subd. 5. **Unused funds.** Money remaining in the statewide electronic licensing account after payment of all costs of completing the Minnesota electronic licensing system, transferring licensing agencies to the system, and operating and maintaining the system during the completion and transfer period is appropriated to the state chief information officer for the costs of operating and maintaining the Minnesota electronic licensing system after the system has been completed.

Subd. 6. **Priority.** To the extent possible, in completing the Minnesota electronic licensing system, the state chief information officer must give priority to licenses that are not issued electronically. Licenses regulated by a health board under chapter 214 must not be transferred to the Minnesota electronic licensing system before July 1, 2011.

Subd. 7. **Expiration.** This section expires on June 30, 2017.

Sec. 60. Minnesota Statutes 2008, section 31.60, subdivision 1, is amended to read:

Subdivision 1. **Division duties; director; personnel.** A Meat Industry Division is created in the Department of Agriculture which shall enforce and administer laws enforced and administered by the commissioner of agriculture relating to meat, fish, and dressed poultry, except laws enforced and administered by the Division of Poultry Industries. The Meat Industry Division is under the supervision of a director in the classified service. The commissioner shall appoint the director ~~from the register as certified by the Minnesota Department of Finance~~, who shall be experienced and knowledgeable in the meat industry.

Sec. 61. Minnesota Statutes 2008, section 43A.1815, is amended to read:

43A.1815 VACATION DONATION TO SICK LEAVE ACCOUNT.

(a) In addition to donations under section 43A.181, a state employee may donate a total of up to ~~12~~ 40 hours of accrued vacation leave each fiscal year to the sick leave

account of one or more state employees. A state employee may not be paid for more than 80 hours in a payroll period during which the employee uses sick leave credited to the employee's account as a result of a transfer from another state employee's vacation account.

(b) The recipient employee must receive donations, as available, for a life-threatening condition of the employee or spouse or dependent child that prevents the employee from working. A recipient may use program donations retroactively to when all forms of paid leave are exhausted if the employee has sufficient donations to cover the period of retroactivity.

(c) An applicant for benefits under this section who receives an unfavorable determination may select a designee to consult with the commissioner or commissioner's designee on the reasons for the determination.

(d) The commissioner shall establish procedures under section 43A.04, subdivision 4, for eligibility, duration of need based on individual cases, monitoring and evaluation of individual eligibility status, and other topics related to administration of this program.

Sec. 62. **[43A.184] SICK LEAVE FOR VETERANS WITH SERVICE-RELATED DISABILITIES.**

On a form prescribed by the commissioner, a state employee who is a veteran with a service-related disability may apply to the employee's appointing authority for additional sick leave to receive treatment for the disability, as provided in this section. The employee must qualify as a veteran under section 197.447, and have a sick leave balance that is insufficient to receive treatment for the disability. If the appointing authority approves the request, the appointing authority shall authorize up to 40 hours of sick leave for the employee in the current fiscal year. The appointing authority may approve sick leave for an employee under this section one time in each fiscal year.

Sec. 63. **[43A.325] BEST PRACTICES FOR INVESTIGATIONS.**

The commissioner of finance must develop and make available to appointing authorities in the executive branch a best practices policy for conducting investigations in which the appointing authority compels its employees to answer questions about allegedly inappropriate activity. The best practices policy must be designed to facilitate effective investigations, without compromising the ability to prosecute criminal cases when appropriate. Each appointing authority must follow the best practices policy or, in consultation with the attorney general, must develop its own policy for conducting these investigations.

Sec. 64. Minnesota Statutes 2008, section 43A.49, is amended to read:

43A.49 VOLUNTARY UNPAID LEAVE OF ABSENCE.

(a) Appointing authorities in state government may allow each employee to take unpaid leaves of absence for up to 1,040 hours ~~between June 1, 2007, and June 30, 2009.~~ ~~The 1,040 hour limit replaces, and is not in addition to, limits set in prior laws in each two-year period beginning July 1 of each odd-numbered year.~~ Each appointing authority approving such a leave shall allow the employee to continue accruing vacation and sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and accrue service credit and credited salary in ~~the state~~ retirement plans as if the employee had actually been employed during the time of leave. An employee covered by the unclassified plan may voluntarily make the employee contributions to the unclassified plan during the leave of absence. If the employee makes these contributions, the appointing authority must make the employer contribution. If the leave of absence is for one full pay period or longer, any holiday pay shall be included in the first payroll warrant after return from the leave of absence. The appointing authority shall attempt to grant requests for the unpaid leaves of absence consistent with the need to continue efficient operation of the agency. However, each appointing authority shall retain discretion to grant or refuse to grant requests for leaves of absence and to schedule and cancel leaves, subject to the applicable provisions of collective bargaining agreements and compensation plans.

(b) To receive eligible service credit and credited salary in a defined benefit plan, the member shall pay an amount equal to the applicable employee contribution rates. If an employee pays the employee contribution for the period of the leave under this section, the appointing authority must pay the employer contribution. The appointing authority may, at its discretion, pay the employee contributions. Contributions must be made in a time and manner prescribed by the executive director of the ~~Minnesota State Retirement Association~~ applicable retirement Association system.

Sec. 65. [43A.55] MANAGEMENT ANALYSIS REVOLVING FUND.

Subdivision 1. Creation. The management analysis revolving fund is created in the state treasury.

Subd. 2. Appropriation and use of funds. Money in the management analysis revolving fund is appropriated annually to the commissioner to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, school districts, and other public entities in the state.

Subd. 3. **Reimbursements.** Except as specifically provided otherwise, each agency shall reimburse the management analysis revolving fund for the cost of all services, supplies, materials, labor, and depreciation of equipment, including reasonable overhead costs, that the commissioner is authorized and directed to furnish an agency. The commissioner shall report the rates to be charged for the revolving fund no later than July 1 of each year to the chair of the committee or division of the senate or the house of representatives with primary jurisdiction over the budget of the Department of Finance.

Subd. 4. **Cash flow.** The commissioner may make appropriate transfers to the revolving fund according to section 16A.126. The commissioner may make allotment and encumbrances in anticipation of these transfers. In addition, the commissioner may require an agency to make advance payments to the revolving fund sufficient to cover the office's estimated obligation for a period of at least 60 days. All reimbursements and other money received by the commissioner under this section must be deposited in the management analysis revolving fund.

Subd. 5. **Liquidation.** If the management analysis revolving fund is abolished or liquidated, the total net profit from the operation of the fund must be distributed to the various funds from which purchases were made. For a given period of time, the amount of total net profit to be distributed to each fund shall reflect the same ratio of total purchases attributable to each fund divided by the total purchases from all funds.

Sec. 66. Minnesota Statutes 2008, section 45.24, is amended to read:

45.24 LICENSE TECHNOLOGY FEES.

(a) The commissioner may establish and maintain an electronic licensing database system for license origination, renewal, and tracking the completion of continuing education requirements by individual licensees who have continuing education requirements, and other related purposes.

(b) The commissioner shall pay for the cost of operating and maintaining the electronic database system described in paragraph (a) through a technology surcharge imposed upon the fee for license origination and renewal, for individual licenses that require continuing education.

(c) The surcharge permitted under paragraph (b) shall be up to \$40 for each two-year licensing period, except as otherwise provided in paragraph (f), and shall be payable at the time of license origination and renewal.

(d) The Commerce Department technology account is hereby created as an account in the special revenue fund.

(e) The commissioner shall deposit the surcharge permitted under this section in the account created in paragraph (d), and funds in the account are appropriated to the commissioner in the amounts needed for purposes of this section. The commissioner of finance shall transfer an amount determined by the commissioner of commerce from the account to the statewide electronic licensing system account under section 16E.22 for the costs of the statewide licensing system attributable to the inclusion of licenses subject to this section.

(f) The commissioner shall temporarily reduce or suspend the surcharge as necessary if the balance in the account created in paragraph (d) exceeds \$2,000,000 as of the end of any calendar year and shall increase or decrease the surcharge as necessary to keep the fund balance at an adequate level but not in excess of \$2,000,000.

Sec. 67. Minnesota Statutes 2008, section 128C.15, subdivision 3, is amended to read:

Subd. 3. **Comparable worth.** The league is a political subdivision under sections 471.992 to 471.999, ~~except that the league must report to the commissioner of employee relations by February 1, 1989, on its implementation plan.~~ A cause of action against the league does not arise before August 1, 1989, for failure to comply with sections 471.992 to 471.999.

Sec. 68. Minnesota Statutes 2008, section 144E.40, subdivision 2, is amended to read:

Subd. 2. **Administration.** (a) Unless paragraph (c) applies, consistent with the responsibilities of the State Board of Investment and the various ambulance services, the Cooper/Sams volunteer ambulance program must be administered by the Emergency Medical Services Regulatory Board. The administrative responsibilities of the board for the program relate solely to the record keeping, award application, and award payment functions. The State Board of Investment is responsible for the investment of the Cooper/Sams volunteer ambulance trust. The applicable ambulance service is responsible for determining, consistent with this chapter, who is a qualified ambulance service person, what constitutes a year of credited ambulance service, what constitutes sufficient documentation of a year of prior service, and for submission of all necessary data to the board in a manner consistent with this chapter. Determinations of an ambulance service are final.

(b) The board may administer its assigned responsibilities regarding the program directly or may retain a qualified governmental or nongovernmental plan administrator under contract to administer those responsibilities regarding the program. A contract with a qualified plan administrator must be the result of an open competitive bidding process

and must be reopened for competitive bidding at least once during every five-year period after July 1, 1993.

(c) The commissioner of ~~employee relations~~ management and budget shall review the options within state government for the most appropriate administration of pension plans or similar arrangements for emergency service personnel and recommend to the governor the most appropriate future pension plan or nonpension plan administrative arrangement for this chapter. If the governor concurs in the recommendation, the governor shall transfer the future administrative responsibilities relating to this chapter to that administrative agency.

Sec. 69. Minnesota Statutes 2008, section 161.321, is amended to read:

161.321 SMALL BUSINESS CONTRACTS.

Subdivision 1. **Definitions.** For purposes of this section the following terms have the meanings given them, except where the context clearly indicates a different meaning is intended.

(a) "Award" means the granting of a contract in accordance with all applicable laws and rules governing competitive bidding except as otherwise provided in this section.

(b) "Contract" means an agreement entered into between a business entity and the state of Minnesota for the construction of transportation improvements.

(c) "Subcontractor" means a business entity which enters into a legally binding agreement with another business entity which is a party to a contract as defined in paragraph (b).

(d) "Targeted group business" means a business designated under section 16C.16, subdivision 5.

(e) "Veteran-owned small business" means a business designated under section 16C.16, subdivision 6a.

Subd. 2. **Small business set-asides.** (a) The commissioner may award up to a six percent preference in the amount bid for specified construction work to small targeted group businesses and veteran-owned small businesses.

(b) The commissioner may designate a contract for construction work for award only to small targeted group businesses if the commissioner determines that at least three small targeted group businesses are likely to bid. The commissioner may designate a contract for construction work for award only to veteran-owned small businesses if the commissioner determines that at least three veteran-owned small businesses are likely to bid.

(c) The commissioner, as a condition of awarding a construction contract, may set goals that require the prime contractor to subcontract a portion of the contract to

small targeted group businesses and veteran-owned small businesses. The commissioner must establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses and veteran-owned small businesses are not reasonably available. The commissioner may establish financial incentives for prime contractors who exceed the goals for use of subcontractors and financial penalties for prime contractors who fail to meet goals under this paragraph. The subcontracting requirements of this paragraph do not apply to prime contractors who are small targeted group businesses or veteran-owned small businesses.

(d) The commissioner may award up to a four percent preference in the amount bid on procurement to small businesses located in an economically disadvantaged area as defined in section 16C.16, subdivision 7.

Subd. 3. **Awards to small businesses.** At least 75 percent of subcontracts awarded to small targeted group businesses must be performed by the business to which the subcontract is awarded or another small targeted group business. At least 75 percent of subcontracts awarded to veteran-owned small businesses must be performed by the business to which the subcontract is awarded or another veteran-owned small business.

Subd. 4. **Awards, limitations.** Contracts awarded pursuant to this section are subject to all limitations contained in rules adopted by the commissioner of administration.

Subd. 5. **Recourse to other businesses.** If the commissioner is unable to award a contract pursuant to the provisions of subdivisions 2 and 3, the award may be placed pursuant to the normal solicitation and award provisions set forth in this chapter and chapter 16C.

Subd. 6. **Rules.** The rules adopted by the commissioner of administration to define small businesses and to set time and other eligibility requirements for participation in programs under sections 16C.16 to 16C.19 apply to this section. The commissioner may promulgate other rules necessary to carry out this section.

Subd. 7. **Noncompetitive bids.** The commissioner is encouraged to purchase from small targeted group businesses and veteran-owned small businesses designated under section 16C.16 when making purchases that are not subject to competitive bidding procedures.

Subd. 8. **Report by commissioner.** The commissioner of transportation shall report to the commissioner of administration on compliance with this section. The information must be reported at the time and in the manner requested by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to procurement contract bid solicitations issued on and after that date.

Sec. 70. Minnesota Statutes 2008, section 176.571, subdivision 1, is amended to read:

Subdivision 1. **Preliminary investigation.** When the head of a department has filed a report or the commissioner of administration has otherwise received information of the occurrence of an injury to a state employee for which liability to pay compensation may exist, the commissioner of administration shall make a preliminary investigation to determine the question of probable liability.

In making this investigation, the commissioner of administration may require the assistance of the head of any department or any employee of the state. The commissioner of ~~employee relations~~ management and budget may require that all facts be furnished which appear in the records of any state department bearing on the issue.

Sec. 71. **[270C.145] TECHNOLOGY LEASE-PURCHASE APPROPRIATION.**

\$855,000 in fiscal year 2010; \$853,000 in fiscal year 2011; and \$2,519,000 in each fiscal year 2012 through 2019 is appropriated from the general fund to the commissioner to make payments under a lease-purchase agreement as defined in section 16A.81 for completing the purchase and development of an integrated tax software package; provided that the state is not obligated to continue the appropriation of funds or to make lease payments in any future fiscal year. Any unexpended portions of this appropriation cancel to the general fund at the close of each biennium. This section expires June 30, 2019.

Sec. 72. Minnesota Statutes 2008, section 270C.63, subdivision 13, is amended to read:

Subd. 13. **Lien search fees.** Upon request of any person, the filing officer shall issue a certificate showing whether there is recorded in that filing office, on the date and hour stated in the certificate, any notice of lien or certificate or notice affecting any lien filed on or after ten years before the date of the search certificate, naming a particular person, and giving the date and hour of filing of each notice or certificate naming the person. The fee for a certificate shall be as provided by section 336.9-525 or 357.18, subdivision 1, clause (3). Upon request, the filing officer shall furnish a copy of any notice of state lien, or notice or certificate affecting a state lien, for a fee of ~~50 cents~~ \$1 per page, except that after the effective date of article 2, section 11, of this act, that section shall govern the fee charged by the secretary of state for a copy or electronically transmitted image.

Sec. 73. Minnesota Statutes 2008, section 302A.821, is amended to read:

302A.821 MINNESOTA CORPORATE ~~REGISTRATION~~ RENEWAL.

Subdivision 1. **Annual ~~registration~~ renewal.** (a) The secretary of state ~~must~~ may send annually to each corporation ~~at the registered office of the corporation a postcard,~~

using the information provided by the corporation pursuant to section 5.002 or 5.34 or the articles of incorporation, a notice announcing the need to file the annual ~~registration~~ renewal and informing the corporation that the annual ~~registration~~ renewal may be filed online and that paper filings may also be made, and informing the corporation that failing to file the annual ~~registration~~ renewal will result in an administrative dissolution of the corporation.

(b) Each calendar year beginning in the calendar year following the calendar year in which a corporation incorporates, the corporation must file with the secretary of state by December 31 of each calendar year a ~~registration~~ renewal containing the information listed in subdivision 2.

Subd. 2. **Information required; manner of filing.** The ~~registration must include:~~ filing must be made pursuant to section 5.34.

- ~~(1) the name of the corporation;~~
- ~~(2) the address of its principal executive office, if different from the registered office address;~~
- ~~(3) the address of its registered office and the name of the registered agent, if any;~~
- ~~(4) the state of incorporation; and~~
- ~~(5) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the corporation.~~

Subd. 3. **Information public.** The information required by subdivision 2 is public data. ~~Chapter 13 does not apply to this information.~~

Subd. 4. **Penalty; reinstatement.** (a) A corporation that has failed to file a ~~registration pursuant to the requirements of subdivision 2~~ renewal complying with section 5.34 must be dissolved by the secretary of state as described in paragraph (b).

(b) If the corporation has not filed the ~~registration~~ renewal during any calendar year, the secretary of state must issue a certificate of administrative dissolution and the certificate must be filed in the Office of the Secretary of State. The secretary of state must make available in an electronic format the names of the dissolved corporations. A corporation dissolved in this manner is not entitled to the benefits of section 302A.781. The liability, if any, of the shareholders of a corporation dissolved in this manner shall be determined and limited in accordance with section 302A.557, except that the shareholders shall have no liability to any director of the corporation under section 302A.559, subdivision 2.

(c) After administrative dissolution, filing a ~~registration~~ renewal complying with section 5.34 and the \$25 fee with the secretary of state:

- (1) returns the corporation to good standing as of the date of the dissolution;

(2) validates contracts or other acts within the authority of the articles, and the corporation is liable for those contracts or acts; and

(3) restores to the corporation all assets and rights of the corporation to the extent they were held by the corporation before the dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

Sec. 74. Minnesota Statutes 2008, section 303.14, is amended to read:

303.14 ANNUAL ~~REPORT~~ RENEWAL.

Subdivision 1. ~~Filed with secretary of state; contents~~ **Notice; filing.** Each calendar year beginning in the calendar year following the calendar year in which a corporation receives a certificate of authority to do business in Minnesota, the secretary of state ~~must mail by first class mail an annual registration form to the registered office of each corporation as shown on the records of the secretary of state. The form must include the following~~ may send to the corporation, using the information provided by the corporation pursuant to section 5.002 or 5.34 or the application for certificate of authority, a notice: announcing the need to file the annual renewal and informing the corporation that the annual renewal may be filed online and that paper filings may also be made, and informing the corporation that failing to file the annual renewal will result in an administrative dissolution or revocation of certificate of authority to do business in Minnesota.

~~"NOTICE: Failure to file this form by December 31 of this year will result in the revocation of the authority of this corporation to transact business in Minnesota without further notice from the secretary of state, pursuant to Minnesota Statutes, section 303.17."~~

The corporation will submit a \$115 fee with the annual registration renewal and will set forth on the form: the items required by section 5.34.

~~(1) the name of the corporation, and, if the corporation has designated an alternate name pursuant to section 303.05, subdivision 1, that alternate name;~~

~~(2) the name of the registered agent of the corporation in Minnesota;~~

~~(3) the address of its registered office;~~

~~(4) the state of incorporation; and~~

~~(5) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the corporation.~~

Sec. 75. Minnesota Statutes 2008, section 303.16, subdivision 4, is amended to read:

Subd. 4. **Approval; filing.** The application for withdrawal shall be delivered to the secretary of state. Upon receiving and examining the same, and upon finding that it

conforms to the provisions of this chapter, the secretary of state shall, when all license fees, filing fees, and other charges other than the fee required by section 303.14 have been paid as required by law, file the same and shall issue and record a certificate of withdrawal. Upon the issuance of the certificate, the authority of the corporation to transact business in this state shall cease.

Sec. 76. Minnesota Statutes 2008, section 308A.995, is amended to read:

308A.995 ~~PERIODIC REGISTRATION~~ ANNUAL RENEWAL.

Subdivision 1. ~~Periodic registration in certain years~~ Annual renewal. Each cooperative governed by this chapter must file ~~a periodic registration~~ an annual renewal with the secretary of state in each ~~odd-numbered~~ calendar year following the calendar year in which the cooperative was incorporated. ~~In these years,~~ The secretary of state ~~must~~ may ~~mail by first class mail a registration form to the registered office of each cooperative as shown on the records of the secretary of state, or if no such address is in the records, to the location of the principal place of business shown on the records of the secretary of state. The form must include the following notice:~~ send annually to the cooperative, using the information provided by the cooperative pursuant to section 5.002 or 5.34 or the articles of incorporation, a notice announcing the need to file the annual renewal and informing the cooperative that the annual renewal may be filed online and that paper filings may also be made, and informing the cooperative that failing to file the annual renewal will result in an administrative dissolution of the cooperative.

~~"NOTICE: Failure to file this form by December 31 of this year will result in the dissolution of this cooperative without further notice from the secretary of state, pursuant to Minnesota Statutes, section 308A.995, subdivision 4, paragraph (b)."~~

Subd. 2. **Minnesota cooperative ~~registration~~ renewal form.** In each calendar year in which a ~~registration~~ renewal is to be filed, a cooperative must file with the secretary of state ~~a registration~~ an annual renewal by December 31 of that calendar year containing: the items required by section 5.34.

- ~~(1) the name of the cooperative;~~
- ~~(2) the address of its registered office;~~
- ~~(3) the address of its principal place of business, if different from the registered office address; and~~
- ~~(4) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the cooperative.~~

Subd. 3. **Information public.** ~~The information required by subdivision 1 is public data.~~

Subd. 4. **Penalty; dissolution.** (a) A cooperative that has failed to file a ~~registration~~ renewal pursuant to the requirements of this section by December 31 of the calendar year for which the ~~registration~~ renewal was required must be dissolved by the secretary of state as described in paragraph (b).

(b) If the cooperative has not filed the ~~registration~~ renewal by December 31 of that calendar year, the secretary of state must issue a certificate of involuntary dissolution, and the certificate must be filed in the Office of the Secretary of State. The secretary of state must make available in an electronic format the names of the dissolved cooperatives. A cooperative dissolved in this manner is not entitled to the benefits of section 308A.981.

Subd. 5. **Reinstatement.** A cooperative may retroactively reinstate its existence by filing a single annual ~~registration~~ renewal and paying a \$25 fee. Filing the annual ~~registration~~ renewal with the secretary of state:

(1) returns the cooperative to active status as of the date of the dissolution;

(2) validates contracts or other acts within the authority of the articles, and the cooperative is liable for those contracts or acts; and

(3) restores to the cooperative all assets and rights of the cooperative and its shareholders or members to the extent they were held by the cooperative and its shareholders or members before the dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

EFFECTIVE DATE. This section is effective 30 days after the secretary of state certifies that the information systems of the Office of the Secretary of State have been modified to implement this section.

Sec. 77. Minnesota Statutes 2008, section 308B.121, subdivision 1, is amended to read:

Subdivision 1. ~~Periodic registration in certain years~~ **Annual renewal.** Each cooperative governed by this chapter ~~and each foreign cooperative registered under section 308B.151~~ must file a ~~periodic registration~~ an annual renewal with the secretary of state ~~with the initial articles and any amendment of the articles in each odd-numbered calendar year after the calendar year in which the cooperative incorporated. In these years,~~ The secretary of state ~~must mail by first class mail a registration form to the registered office of each cooperative and registered foreign cooperative as shown in the records of the secretary of state, or if no such address is in the records, to the location of the principal place of business shown in the records of the secretary of state. For a cooperative, the form must include the following notice:~~ may send annually to each cooperative, using the information provided by the cooperative pursuant to section 5.002 or 5.34 or the articles of

organization, a notice announcing the need to file the annual renewal and informing the cooperative that the annual renewal may be filed online and that paper filings may also be made, and informing the cooperative that failing to file the annual renewal will result in an administrative dissolution.

~~"NOTICE: Failure to file this form by December 31 of this year will result in the dissolution of this cooperative without further notice from the secretary of state, under Minnesota Statutes, section 308B.121, subdivision 4, paragraph (b)."~~

~~For a foreign cooperative, the form must contain the following notice:~~

~~"NOTICE: Failure to file this form by December 31 of this year will result in the loss of good standing and the authority to do business in Minnesota."~~

EFFECTIVE DATE. This section is effective 30 days after the secretary of state certifies that the information systems of the Office of the Secretary of State have been modified to implement this section.

Sec. 78. Minnesota Statutes 2008, section 308B.121, subdivision 2, is amended to read:

Subd. 2. **Registration Renewal form.** In each calendar year in which a ~~registration~~ renewal is to be filed, a cooperative must file with the secretary of state ~~a registration~~ by December 31 of that calendar year a renewal containing: the items required by section 5.34.

~~(1) the name of the cooperative;~~
~~(2) the address of its registered office;~~
~~(3) the address of its principal place of business, if different from the registered office address; and~~
~~(4) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the cooperative.~~

EFFECTIVE DATE. This section is effective 30 days after the secretary of state certifies that the information systems of the Office of the Secretary of State have been modified to implement this section.

Sec. 79. Minnesota Statutes 2008, section 317A.823, is amended to read:

317A.823 ANNUAL CORPORATE ~~REGISTRATION~~ RENEWAL.

Subdivision 1. **Annual ~~registration~~ renewal.** (a) The secretary of state ~~must~~ may send annually to each corporation ~~at the registered office of the corporation, using the information provided by the corporation pursuant to section 5.002 or 5.34 or the articles of incorporation, a postcard~~ notice announcing the need to file the annual ~~registration~~ renewal

and informing the corporation that the annual ~~registration~~ renewal may be filed online and that paper filings may also be made, and informing the corporation that failing to file the annual ~~registration~~ renewal will result in an administrative dissolution of the corporation.

(b) Each calendar year beginning in the calendar year following the calendar year in which a corporation incorporates, a corporation must file with the secretary of state by December 31 of each calendar year a registration containing the information ~~listed in paragraph (c)~~ required by section 5.34.

~~(c) The registration must include:~~

~~(1) the name of the corporation;~~

~~(2) the address of its registered office;~~

~~(3) the name of its registered agent, if any; and~~

~~(4) the name and business address of the officer or other person exercising the principal functions of president of the corporation.~~

Subd. 2. **Penalty.** (a) A corporation that has failed to file a ~~registration~~ renewal pursuant to ~~the requirements of~~ subdivision 1 must be dissolved by the secretary of state as described in paragraph (b).

(b) If the corporation has not filed the delinquent ~~registration~~ renewal, the secretary of state must issue a certificate of involuntary dissolution, and the certificate must be filed in the Office of the Secretary of State. The secretary of state must also make available in an electronic format the names of the dissolved corporations. A corporation dissolved in this manner is not entitled to the benefits of section 317A.781.

Sec. 80. Minnesota Statutes 2008, section 321.0206, is amended to read:

321.0206 DELIVERY TO AND FILING OF RECORDS BY SECRETARY OF STATE; EFFECTIVE TIME AND DATE.

(a) A record authorized or required to be delivered to the secretary of state for filing under this chapter must be captioned to describe the record's purpose, be in a medium permitted by the secretary of state, and be delivered to the secretary of state. Unless the secretary of state determines that a record does not comply with the filing requirements of this chapter, and if the appropriate filing fees have been paid, the secretary of state shall file the record and:

(1) for a statement of dissociation, send:

(A) a copy of the filed statement to the person which the statement indicates has dissociated as a general partner; and

(B) a copy of the filed statement to the limited partnership;

(2) for a statement of withdrawal, send:

70.1 (A) a copy of the filed statement to the person on whose behalf the record was
70.2 filed; and

70.3 (B) if the statement refers to an existing limited partnership, a copy of the filed
70.4 statement to the limited partnership; and

70.5 (3) for all other records, send a copy of the filed record to the person on whose
70.6 behalf the record was filed.

70.7 (b) Upon request and payment of a fee, the secretary of state shall send to the
70.8 requester a certified copy of the requested record.

70.9 (c) Except as otherwise provided in sections 321.0116 and 321.0207, a record
70.10 delivered to the secretary of state for filing under this chapter may specify an effective
70.11 time and a delayed effective date. Except as otherwise provided in this chapter, a record
70.12 filed by the secretary of state is effective:

70.13 (1) if the record does not specify an effective time and does not specify a delayed
70.14 effective date, on the date and at the time the record is filed as evidenced by the secretary
70.15 of state's endorsement of the date and time on the record;

70.16 (2) if the record specifies an effective time but not a delayed effective date, on the
70.17 date the record is filed at the time specified in the record;

70.18 (3) if the record specifies a delayed effective date but not an effective time, at 12:01
70.19 a.m. on the earlier of:

70.20 (A) the specified date; or

70.21 (B) the 30th day after the record is filed; or

70.22 (4) if the record specifies an effective time and a delayed effective date, at the
70.23 specified time on the earlier of:

70.24 (A) the specified date; or

70.25 (B) the 30th day after the record is filed.

70.26 (d) The appropriate fees for filings under this chapter are:

70.27 (1) for filing a certificate of limited partnership, \$100;

70.28 (2) for filing an amended certificate of limited partnership, \$50;

70.29 (3) for filing a name reservation for a limited partnership name, \$35;

70.30 ~~(3)~~ (4) for filing any other record, other than the annual ~~report~~ renewal required by
70.31 section 321.0210, for which no fee must be charged, required or permitted to be delivered
70.32 for filing, ~~\$35~~ \$50;

70.33 ~~(4)~~ (5) for filing a certificate requesting authority to transact business in Minnesota
70.34 as a foreign limited partnership, ~~\$85~~ \$100;

70.35 ~~(5)~~ (6) for filing an application of reinstatement, \$25;

70.36 ~~(6)~~ (7) for filing a name reservation for a foreign limited partnership name, \$35; and

71.1 ~~(7)~~ (8) for filing any other record, other than the annual ~~report~~ renewal required by
71.2 section 321.0210, for which no fee must be charged, required or permitted to be delivered
71.3 for filing on a foreign limited partnership authorized to transact business in Minnesota,
71.4 \$50.

71.5 Sec. 81. Minnesota Statutes 2008, section 321.0210, is amended to read:

71.6 **321.0210 ANNUAL ~~REPORT~~ RENEWAL FOR SECRETARY OF STATE.**

71.7 (a) Subject to subsection (b):

71.8 (1) in each calendar year following the calendar year in which a limited partnership
71.9 becomes subject to this chapter, the limited partnership must deliver to the secretary of
71.10 state for filing an annual ~~registration~~ renewal containing the information required by
71.11 subsection (c); and

71.12 (2) in each calendar year following the calendar year in which there is first on file
71.13 with the secretary of state a certificate of authority under section 321.0904 pertaining to a
71.14 foreign limited partnership, the foreign limited partnership must deliver to the secretary
71.15 of state for filing an annual ~~registration~~ renewal containing the information required by
71.16 subsection (c).

71.17 (b) A limited partnership's obligation under subsection (a) ends if the limited
71.18 partnership delivers to the secretary of state for filing a statement of termination under
71.19 section 321.0203 and the statement becomes effective under section 321.0206. A foreign
71.20 limited partnership's obligation under subsection (a) ends if the secretary of state issues
71.21 and files a certificate of revocation under section 321.0906 or if the foreign limited
71.22 partnership delivers to the secretary of state for filing a notice of cancellation under
71.23 section 321.0907(a) and that notice takes effect under section 321.0206. If a foreign
71.24 limited partnership's obligations under subsection (a) end and later the secretary of state
71.25 files, pursuant to section 321.0904, a new certificate of authority pertaining to that foreign
71.26 limited partnership, subsection (a)(2), again applies to the foreign limited partnership and,
71.27 for the purposes of subsection (a)(2), the calendar year of the new filing is treated as the
71.28 calendar year in which a certificate of authority is first on file with the secretary of state.

71.29 (c) The annual ~~registration~~ renewal must contain: ~~the items required by section 5.34.~~

71.30 ~~(1) the name of the limited partnership or foreign limited partnership;~~

71.31 ~~(2) the address of its designated office and the name and street and mailing address~~

71.32 ~~of its agent for service of process in Minnesota and, if the agent is not an individual, the~~

71.33 ~~name, street and mailing address, and telephone number of an individual who may be~~

71.34 ~~contacted for purposes other than service of process with respect to the limited partnership;~~

~~(3) in the case of a limited partnership, the street and mailing address of its principal office; and~~

~~(4) in the case of a foreign limited partnership, the name of the state or other jurisdiction under whose law the foreign limited partnership is formed and any alternate name adopted under section 321.0905(a).~~

(d) The secretary of state shall:

(1) administratively dissolve under section 321.0809 a limited partnership that has failed to file a ~~registration~~ renewal pursuant to subsection (a); and

(2) revoke under section 321.0906 the certificate of authority of a foreign limited partnership that has failed to file a ~~registration~~ renewal pursuant to subsection (a).

Sec. 82. Minnesota Statutes 2008, section 321.0810, is amended to read:

321.0810 REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION.

(a) A limited partnership that has been administratively dissolved or a foreign limited partnership that has had its certificate of authority revoked may ~~apply to the secretary of state for reinstatement~~ reinstate after the effective date of dissolution. ~~The application~~ To reinstate, the annual renewal required by section 5.34 must be delivered to the secretary of state for filing ~~and state~~ with the reinstatement fee of \$25.

~~(1) the name of the limited partnership and the effective date of its administrative dissolution;~~

~~(2) that the grounds for dissolution either did not exist or have been eliminated; and~~

~~(3) that the limited partnership's name satisfies the requirements of section 321.0108.~~

~~The application must also include any documents that were required to be delivered for filing to the secretary of state but which were not so delivered.~~

(b) If the secretary of state determines that ~~an application~~ an annual renewal contains the information required by subsection (a) and that the information is correct and ~~the application includes~~ is accompanied by the appropriate fee, the secretary of state shall file the ~~reinstatement application and serve the limited partnership with a copy~~ renewal and reinstate the limited partnership or foreign limited partnership.

(c) When reinstatement becomes effective, it relates back to and takes effect as of the effective date of the administrative dissolution or revocation and the limited partnership may resume its activities as if the administrative dissolution or revocation had never occurred, except that for the purposes of section 321.0103(c) and (d) the reinstatement is effective only as of the date the reinstatement is filed.

Sec. 83. Minnesota Statutes 2008, section 322B.960, is amended to read:

322B.960 ANNUAL ~~REGISTRATION~~ RENEWAL.

Subdivision 1. **Annual ~~registration~~ renewal form.** (a) The secretary of state ~~must~~ may send annually to each limited liability company ~~at the registered office of the corporation a postcard,~~ using the information provided by the limited liability company pursuant to section 5.002 or 5.34 or the articles of organization, a notice announcing the need to file the annual ~~registration~~ renewal and informing the limited liability company that the annual ~~registration~~ renewal may be filed online and that paper filings may also be made, and informing the limited liability company that failing to file the annual ~~registration~~ renewal will result in an administrative termination of the limited liability company or the revocation of the authority of the limited liability company to do business in Minnesota.

(b) Each calendar year beginning in the calendar year following the calendar year in which a limited liability company files articles of organization, a limited liability company must file with the secretary of state by December 31 of each calendar year a ~~registration~~ renewal containing the ~~information listed in subdivision 2~~ items required by section 5.34.

~~Subd. 2. Information required; fees.~~ The registration must include:

~~(1) the name of the limited liability company or the name under which a foreign limited liability company has registered in this state;~~

~~(2) the address of its principal executive office, if different from the registered address;~~

~~(3) the address of its registered office;~~

~~(4) the name of its registered agent, if any;~~

~~(5) the state or jurisdiction of organization; and~~

~~(6) the name and business address of the manager or other person exercising the principal functions of the chief manager of the limited liability company.~~

Subd. 4. **Penalty.** (a) A domestic limited liability company that has not filed a ~~registration~~ renewal pursuant to ~~the requirements of subdivision 2,~~ this section is administratively terminated. The secretary of state shall issue a certificate of administrative termination which must be filed in the office of the secretary of state. The secretary of state must also make available in an electronic format the names of the terminated limited liability companies.

(b) A non-Minnesota limited liability company that has not filed a ~~registration~~ renewal pursuant to ~~the requirements of subdivision 2,~~ this section shall have its authority to do business in Minnesota revoked. The secretary of state must issue a certificate of revocation which must be filed in the Office of the Secretary of State. The secretary

of state must also make available in an electronic format the names of the revoked non-Minnesota limited liability companies.

Subd. 5. **Reinstatement.** If a limited liability company is administratively terminated or has its authority to do business in Minnesota revoked, it may retroactively reinstate its existence or authority to do business by filing a single annual ~~registration~~ renewal and paying a \$25 fee.

(a) For a domestic limited liability company, filing the annual ~~registration~~ renewal with the secretary of state:

(1) returns the limited liability company to active status as of the date of the administrative termination;

(2) validates contracts or other acts within the authority of the articles, and the limited liability company is liable for those contracts or acts; and

(3) restores to the limited liability company all assets and rights of the limited liability company and its members to the extent they were held by the limited liability company and its members before the administrative termination occurred, except to the extent that assets or rights were affected by acts occurring after the termination, sold, or otherwise distributed after that time.

(b) For a non-Minnesota limited liability company, filing the annual ~~registration~~ renewal restores the limited liability company's ability to do business in Minnesota and the rights and privileges which accompany that authority.

Sec. 84. Minnesota Statutes 2008, section 323A.1003, is amended to read:

323A.1003 ANNUAL ~~REGISTRATION~~ RENEWAL.

(a) Each calendar year beginning in the calendar year following the calendar year in which a partnership files a statement of qualification or in which a foreign partnership becomes authorized to transact business in this state, the secretary of state ~~must mail by first class mail an annual registration form to the street address of the partnership's chief executive office, if located in Minnesota, the office in this state, if the chief executive office is not located in Minnesota, or address of the registered agent of the partnership as shown on the records of the secretary of state when the chief executive office is not located in Minnesota and no other Minnesota office exists~~ may send annually to the partnership or foreign partnership, using the information provided by the limited liability partnership pursuant to section 5.002 or 5.34 or the limited liability partnership statement of qualification, a notice. ~~The form must include the following notice:~~ will announce the need to file the annual renewal and will inform the partnership or foreign partnership that the annual renewal may be filed online and that paper filings may also be made and that

75.1 ~~"NOTICE: failure to file this form the notice by December 31 of this year will result~~
75.2 ~~in the revocation of the statement of qualification of this limited liability partnership.~~
75.3 ~~without further notice from the secretary of state pursuant to Minnesota Statutes, section~~
75.4 ~~323A.1003, subsection (d)."~~

75.5 (b) A limited liability partnership, and a foreign limited liability partnership
75.6 authorized to transact business in this state, shall file an annual registration renewal in the
75.7 office of the secretary of state which contains: the information required by section 5.34.

75.8 ~~(1) the name of the limited liability partnership and the state or other jurisdiction~~
75.9 ~~under whose laws the foreign limited liability partnership is formed;~~

75.10 ~~(2) the street address, including the zip code, of the partnership's chief executive~~
75.11 ~~office and, if different, the street address, including the zip code, of an office of the~~
75.12 ~~partnership in this state, if any;~~

75.13 ~~(3) if the partnership does not have an office in this state, the name and street address,~~
75.14 ~~including the zip code, of the partnership's current agent for service of process; and~~

75.15 ~~(4) if the agent for service of process under clause (3) is not an individual, the name,~~
75.16 ~~street address, and telephone number of an individual who may be contacted for purposes~~
75.17 ~~other than service of process with respect to the limited liability partnership.~~

75.18 (c) An annual registration renewal must be filed once each calendar year beginning
75.19 in the year following the calendar year in which a partnership files a statement of
75.20 qualification or a foreign partnership becomes authorized to transact business in this state.

75.21 (d) The secretary of state must revoke the statement of qualification of a partnership
75.22 that fails to file an annual registration renewal when due or pay the required filing fee. The
75.23 secretary of state must issue a certificate of revocation which must be filed in the office
75.24 of the secretary of state. The secretary of state must also make available in an electronic
75.25 format the names of the revoked limited liability companies.

75.26 (e) A revocation under subsection (d) only affects a partnership's status as a limited
75.27 liability partnership and is not an event of dissolution of the partnership.

75.28 (f) A partnership whose statement of qualification has been revoked may apply
75.29 to the secretary of state for reinstatement ~~within one year after the effective date of~~
75.30 ~~the revocation.~~ A partnership must file an annual registration renewal to apply for
75.31 reinstatement and pay a reinstatement fee of ~~\$135~~ \$160.

75.32 (g) A reinstatement under subsection (f) relates back to and takes effect as of
75.33 the effective date of the revocation, and the partnership's status as a limited liability
75.34 partnership continues as if the revocation had never occurred.

Sec. 85. Minnesota Statutes 2008, section 333.055, is amended to read:

333.055 TERM OF CERTIFICATE.

Subdivision 1. **Application and renewal.** Filing of a certificate hereunder shall be effective ~~for a term of ten years from the date of filing and upon application filed within the six-month period prior to the expiration of such term or a renewal thereof, on a form prescribed by the secretary of state, upon filing and shall remain in effect as long as an annual renewal for the certificate may be renewed for additional ten-year terms. A renewal fee as specified herein, payable to the secretary of state, shall accompany the application for renewal.~~ is filed in each calendar year following the calendar year in which the original filing was filed. The certificate expires in the calendar year following a calendar year in which the annual renewal was not filed. Notice of the annual renewal requirement must be provided to the person or entity submitting the certificate at the time of the original filing.

~~The secretary of state shall notify each business holding a certificate hereunder of the necessity of renewal thereof by writing to the last known address of the business at least six months prior to the certificate's expiration date.~~

Assumed name certificates on file with the secretary of state upon the effective date of this section are exempt from the renewal requirements of this section until the expiration of the original ten-year term.

Subd. 2. ~~Existing certificates~~ **Reinstatement.** Any assumed name certificate ~~of record in the district courts and in force on July 1, 1978 shall continue in force without the necessity of another filing under section 333.01 until July 31, 1979, at which time all such certificates shall expire unless renewed as hereinafter provided. Any certificate may be renewed by filing an application with the secretary of state on a form prescribed by the secretary and paying the renewal fee prescribed by subdivision 3 within the six month period prior to the expiration of the certificate that expires as a result of failing to file the annual renewal may be reinstated by filing the annual renewal with the \$25 reinstatement fee.~~

Subd. 2a. **Annual renewal; contents.** The annual renewal filed under subdivision 1 must include the assumed name and the address of the principal place of business.

Subd. 3. **Fees.** The secretary of state shall charge and collect: a fee of \$30 for each filing submitted with respect to an assumed name except for the annual renewal, for which no fee will be charged.

~~(a) for the filing of each certificate or amended certificate of an assumed name - \$25;~~
~~(b) certificate renewal fee - \$25.~~

Subd. 4. **Secretary of state duties.** The secretary of state shall accept for filing all certificates and renewals thereof which comply with the provisions of sections 333.001 to

333.06 and which are accompanied by the prescribed fees, notwithstanding the fact that the assumed name disclosed therein may not be distinguishable from one or more other assumed names already filed with the secretary of state. The secretary of state shall not accept for filing a certificate that discloses an assumed name that is not distinguishable from a corporate, limited liability company, limited liability partnership, cooperative, or limited partnership name in use or reserved in this state by another or a trade or service mark registered with the secretary of state, unless there is filed with the certificate a written consent, court decree of prior right, or affidavit of nonuser of the kind required by section 302A.115, subdivision 1, clause (d). The secretary of state shall determine whether a name is distinguishable from another name for purposes of this subdivision.

EFFECTIVE DATE; APPLICATION. This section is effective 30 days after the secretary of state certifies that the information systems of the Office of the Secretary of State have been modified to implement this section, and this section applies to all existing and new assumed name certificates on and after that date.

Sec. 86. Minnesota Statutes 2008, section 336A.04, subdivision 3, is amended to read:

Subd. 3. **Fees.** The fee for filing and indexing a standard form or format for a lien notice, effective financing statement, or continuation statement, and stamping the date and place of filing on a copy of the filed document furnished by the filing party is ~~\$15 until June 30, 2005. Effective July 1, 2005, the fee for each filing will be~~ as follows:

- (1) \$20 for each effective financing statement and \$15 for each lien notice or other filing made through the Web interface of the Office of the Secretary of State; and
- (2) \$25 for each effective financing statement and \$20 for each lien notice or other filing submitted in any other manner; and
- (3) no fee will be charged for filing a termination statement.

Filing fees collected by a satellite office must be deposited in the general fund of the county in which the satellite office is located.

Sec. 87. Minnesota Statutes 2008, section 336A.09, subdivision 2, is amended to read:

Subd. 2. **Searches; fees.** (a) If a person makes a request, the filing officer shall conduct a search of the computerized filing system for effective financing statements or lien notices and statements of continuation of a particular debtor. The filing officer shall produce a report including the date, time, and results of the search by issuing:

- (1) a listing of the file number, date, and hour of each effective financing statement found in the search and the names and addresses of each secured party on the effective

78.1 financing statements or of each lien notice found in the search and the names and address
78.2 of each lienholder on the lien notice; or

78.3 (2) upon request, both the report and photocopies of the effective financing
78.4 statements or lien notices.

78.5 (b) The uniform fee for conducting a search and for preparing a report is \$20 per
78.6 debtor name. ~~If an oral or facsimile response is requested, there is an additional fee of \$5~~
78.7 ~~per debtor name requested. A fee of \$1 per page as set by section 5.12 will be charged for~~
78.8 photocopies of effective financing statements, lien notices, continuation statements, or
78.9 termination statements.

78.10 (c) Search fees collected by a satellite office must be deposited in the general fund of
78.11 the county where the satellite office is located.

78.12 Sec. 88. Minnesota Statutes 2008, section 359.01, subdivision 3, is amended to read:

78.13 Subd. 3. **Fees.** (a) When making application for a commission the applicant must
78.14 submit, along with the information required by the secretary of state, a nonrefundable
78.15 fee of \$40.

78.16 (b) All fees shall be retained by the secretary of state and are nonreturnable, except
78.17 ~~that for an overpayment of a fee is the subject of a refund upon proper application.~~

78.18 Sec. 89. Minnesota Statutes 2008, section 383B.72, is amended to read:

78.19 **383B.72 LAND ACQUISITION; TOWN CONSENT.**

78.20 Notwithstanding the provisions of section 398.09, the Board of Park District
78.21 Commissioners of the Three Rivers Park District, before acquiring by purchase or
78.22 condemnation real estate located within the boundaries of any organized town in Hennepin
78.23 County, ~~other than real estate located within an area designated for development of a park~~
78.24 ~~in the most recent revised plan which has been prepared by the district in accordance with~~
78.25 ~~section 398.19, and is on file on June 9, 1971, with the state department of parks, shall~~
78.26 secure the consent of the town board of such town to such acquisition, by resolution duly
78.27 adopted by such board.

78.28 Sec. 90. Minnesota Statutes 2008, section 469.175, subdivision 1, is amended to read:

78.29 Subdivision 1. **Tax increment financing plan.** (a) A tax increment financing plan
78.30 shall contain:

78.31 (1) a statement of objectives of an authority for the improvement of a project;

78.32 (2) a statement as to ~~the development program for the project, including~~ the property
78.33 within the project, if any, that the authority intends to acquire, identified by parcel number,

79.1 identifiable property name, block, or other appropriate means indicating the area in which
79.2 the authority intends to acquire properties;

79.3 (3) a list of any development activities that the plan proposes to take place within
79.4 the project, ~~for which contracts have been entered into at the time of the preparation of~~
79.5 ~~the plan, for which the authority has entered into an agreement or designated a developer~~
79.6 including the names of the parties ~~to the contract~~ or designated developer, the activity
79.7 governed by the ~~contract~~ the agreement or designation, ~~the cost stated in the contract~~, and
79.8 the expected date of completion of that activity;

79.9 (4) identification or description of the type of any other specific development
79.10 reasonably expected to take place within the ~~project~~ district, and the date when the
79.11 development is likely to occur;

79.12 (5) estimates of the following:

79.13 (i) cost of the project, including administrative expenses, ~~except that if part of the~~
79.14 ~~cost of the project is paid or financed with increment from the tax increment financing~~
79.15 ~~district, the tax increment financing plan for the district must contain an estimate of the~~
79.16 ~~amount of the cost of the project, including administrative expenses, that~~ and interest as a
79.17 financing cost, which will be paid or financed with tax increments from the district, but
79.18 not to exceed the estimated tax increment generated by the development activity;

79.19 (ii) amount of ~~bonded indebtedness to be incurred~~ bonds to be issued;

79.20 (iii) ~~sources of revenue to finance or otherwise pay public costs;~~

79.21 ~~(iv)~~ the most recent original net tax capacity of taxable real property within the tax
79.22 increment financing district and within any subdistrict;

79.23 ~~(v)~~ (iv) the estimated captured net tax capacity of the tax increment financing district
79.24 at completion; and

79.25 ~~(vi)~~ (v) the duration of the tax increment financing district's and any subdistrict's
79.26 existence;

79.27 (6) statements of the authority's alternate estimates of the impact of tax increment
79.28 financing on the net tax capacities of all taxing jurisdictions in which the tax increment
79.29 financing district is located in whole or in part. For purposes of one statement, the
79.30 authority shall assume that the estimated captured net tax capacity would be available to
79.31 the taxing jurisdictions without creation of the district, and for purposes of the second
79.32 statement, the authority shall assume that none of the estimated captured net tax capacity
79.33 would be available to the taxing jurisdictions without creation of the district or subdistrict;

79.34 (7) identification and description of studies and analyses used to make the
79.35 determination set forth in subdivision 3, clause (2); and

79.36 (8) identification of all parcels to be included in the district or any subdistrict.

(b) The authority may specify in the tax increment financing plan the first year in which it elects to receive increment, up to four years following the year of approval of the district. This paragraph does not apply to an economic development district.

EFFECTIVE DATE. This section is effective for tax increment financing plans approved after June 30, 2009.

Sec. 91. Minnesota Statutes 2008, section 469.175, subdivision 6, is amended to read:

Subd. 6. **Annual financial reporting.** (a) The state auditor shall develop a uniform system of accounting and financial reporting for tax increment financing districts. The system of accounting and financial reporting shall, as nearly as possible:

(1) provide for full disclosure of the sources and uses of ~~public funds in tax~~ increments of the district;

(2) permit comparison and reconciliation with the affected local government's accounts and financial reports;

(3) permit auditing of the funds expended on behalf of a district, including a single district that is part of a multidistrict project or that is funded in part or whole through the use of a development account funded with tax increments from other districts or with other public money;

(4) be consistent with generally accepted accounting principles.

(b) The authority must annually submit to the state auditor a financial report in compliance with paragraph (a). Copies of the report must also be provided to the county auditor and to the governing body of the municipality, if the authority is not the municipality. To the extent necessary to permit compliance with the requirement of financial reporting, the county and any other appropriate local government unit or private entity must provide the necessary records or information to the authority or the state auditor as provided by the system of accounting and financial reporting developed pursuant to paragraph (a). The authority must submit the annual report for a year on or before August 1 of the next year.

(c) The annual financial report must also include the following items:

(1) the original net tax capacity of the district and any subdistrict under section 469.177, subdivision 1;

(2) the net tax capacity for the reporting period of the district and any subdistrict;

(3) the captured net tax capacity of the district;

(4) any fiscal disparity deduction from the captured net tax capacity under section 469.177, subdivision 3;

81.1 (5) the captured net tax capacity retained for tax increment financing under section
81.2 469.177, subdivision 2, paragraph (a), clause (1);

81.3 (6) any captured net tax capacity distributed among affected taxing districts under
81.4 section 469.177, subdivision 2, paragraph (a), clause (2);

81.5 (7) the type of district;

81.6 (8) the date the municipality approved the tax increment financing plan and the
81.7 date of approval of any modification of the tax increment financing plan, the approval of
81.8 which requires notice, discussion, a public hearing, and findings under subdivision 4,
81.9 paragraph (a);

81.10 (9) the date the authority first requested certification of the original net tax capacity
81.11 of the district and the date of the request for certification regarding any parcel added
81.12 to the district;

81.13 (10) the date the county auditor first certified the original net tax capacity of the
81.14 district and the date of certification of the original net tax capacity of any parcel added
81.15 to the district;

81.16 (11) the month and year in which the authority has received or anticipates it will
81.17 receive the first increment from the district;

81.18 (12) the date the district must be decertified;

81.19 (13) for the reporting period and prior years of the district, the actual amount
81.20 received from, at least, the following categories:

81.21 (i) tax increments paid by the captured net tax capacity retained for tax increment
81.22 financing under section 469.177, subdivision 2, paragraph (a), clause (1), but excluding
81.23 any excess taxes;

81.24 (ii) tax increments that are interest or other investment earnings on or from tax
81.25 increments;

81.26 (iii) tax increments that are proceeds from the sale or lease of property, tangible or
81.27 intangible, purchased by the authority with tax increments;

81.28 (iv) tax increments that are repayments of loans or other advances made by the
81.29 authority with tax increments;

81.30 (v) bond ~~or loan~~ proceeds; and

81.31 (vi) ~~special assessments;~~

81.32 ~~(vii) grants;~~

81.33 ~~(viii) transfers from funds not exclusively associated with the district; and~~

81.34 ~~(ix)~~ the market value homestead credit paid to the authority under section 273.1384;

81.35 (14) for the reporting period and for the prior years of the district, the actual amount
81.36 expended for, at least, the following categories:

- 82.1 (i) acquisition of land and buildings through condemnation or purchase;
- 82.2 (ii) site improvements or preparation costs;
- 82.3 (iii) installation of public utilities, parking facilities, streets, roads, sidewalks, or
- 82.4 other similar public improvements;
- 82.5 (iv) administrative costs, including the allocated cost of the authority; and
- 82.6 ~~(v) public park facilities, facilities for social, recreational, or conference purposes, or~~
- 82.7 ~~other similar public improvements; and~~ for housing districts, construction of affordable
- 82.8 housing;
- 82.9 ~~(vi) transfers to funds not exclusively associated with the district;~~
- 82.10 (15) the amount of any payments for activities and improvements located outside of
- 82.11 the district that are paid for or financed with tax increments;
- 82.12 (16) the amount of payments of principal and interest that are made during the
- 82.13 reporting period on any nondefeased:
- 82.14 (i) general obligation tax increment financing bonds;
- 82.15 (ii) other tax increment financing bonds, including pay-as-you-go contracts and
- 82.16 notes; and
- 82.17 ~~(iii) notes and pay-as-you-go contracts;~~
- 82.18 (17) the principal amount, at the end of the reporting period, of any nondefeased:
- 82.19 (i) general obligation tax increment financing bonds;
- 82.20 (ii) other tax increment financing bonds, including pay as you go contracts and
- 82.21 notes; and
- 82.22 ~~(iii) notes and pay-as-you-go contracts;~~
- 82.23 (18) the amount of principal and interest payments that are due for the current
- 82.24 calendar year on any nondefeased:
- 82.25 (i) general obligation tax increment financing bonds; and
- 82.26 (ii) other tax increment financing bonds, including pay-as-you-go contracts and
- 82.27 notes; and
- 82.28 ~~(iii) notes and pay-as-you-go contracts;~~
- 82.29 (19) if the fiscal disparities contribution under chapter 276A or 473F for the district
- 82.30 is computed under section 469.177, subdivision 3, paragraph (a), the amount of total
- 82.31 increased property taxes imposed on other properties in the municipality that approved the
- 82.32 tax increment financing plan as a result of the fiscal disparities contribution; to be paid
- 82.33 from outside the tax increment financing district; and
- 82.34 ~~(20) the estimate, if any, contained in the tax increment financing plan of the amount~~
- 82.35 ~~of the cost of the project, including administrative expenses, that will be paid or financed~~
- 82.36 ~~with tax increment; and~~

83.1 ~~(21)~~ any additional information the state auditor may require.

83.2 ~~(d) The commissioner of revenue shall prescribe the method of calculating the~~
83.3 ~~increased property taxes under paragraph (c), clause (19), and the form of the statement~~
83.4 ~~disclosing this information on the annual statement under subdivision 5.~~

83.5 ~~(e)~~ The reporting requirements imposed by this subdivision apply to districts
83.6 certified before, on, and after August 1, 1979.

83.7 **EFFECTIVE DATE.** This section is effective for tax increment financing reports
83.8 due after December 31, 2009.

83.9 Sec. 92. Minnesota Statutes 2008, section 471.345, subdivision 15, is amended to read:

83.10 Subd. 15. **Cooperative purchasing.** (a) Municipalities may contract for the
83.11 purchase of supplies, materials, or equipment by utilizing contracts that are available
83.12 through the state's cooperative purchasing venture authorized by section 16C.11 . For a
83.13 contract estimated to exceed \$25,000, a municipality must consider the availability, price
83.14 and quality of supplies, materials, or equipment available through the state's cooperative
83.15 purchasing venture before purchasing through another source.

83.16 (b) If a municipality does not utilize the state's cooperative purchasing venture, a
83.17 municipality may contract for the purchase of supplies, materials, or equipment without
83.18 regard to the competitive bidding requirements of this section if the purchase is through
83.19 a national municipal association's purchasing alliance or cooperative created by a joint
83.20 powers agreement that purchases items from more than one source on the basis of
83.21 competitive bids or competitive quotations.

83.22 Sec. 93. Minnesota Statutes 2008, section 473.142, is amended to read:

83.23 **473.142 SMALL BUSINESSES.**

83.24 (a) The Metropolitan Council and agencies specified in section 473.143, subdivision
83.25 1, may award up to a six percent preference in the amount bid for specified goods
83.26 or services to small targeted group businesses and veteran-owned small businesses
83.27 designated under section 16C.16.

83.28 (b) The council and each agency specified in section 473.143, subdivision 1, may
83.29 designate a purchase of goods or services for award only to small targeted group businesses
83.30 designated under section 16C.16 if the council or agency determines that at least three
83.31 small targeted group businesses are likely to bid. The council and each agency specified in
83.32 section 473.143, subdivision 1, may designate a purchase of goods or services for award

only to veteran-owned small businesses designated under section 16C.16 if the council or agency determines that at least three veteran-owned small businesses are likely to bid.

(c) The council and each agency specified in section 473.143, subdivision 1, as a condition of awarding a construction contract or approving a contract for consultant, professional, or technical services, may set goals that require the prime contractor to subcontract a portion of the contract to small targeted group businesses and veteran-owned small businesses designated under section 16C.16. The council or agency must establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses and veteran-owned small businesses are not reasonably available. The council or agency may establish financial incentives for prime contractors who exceed the goals for use of subcontractors and financial penalties for prime contractors who fail to meet goals under this paragraph. The subcontracting requirements of this paragraph do not apply to prime contractors who are small targeted group businesses and veteran-owned small businesses. At least 75 percent of the value of the subcontracts awarded to small targeted group businesses under this paragraph must be performed by the business to which the subcontract is awarded or by another small targeted group business. At least 75 percent of the value of the subcontracts awarded to veteran-owned small businesses under this paragraph must be performed by the business to which the subcontract is awarded or another veteran-owned small business.

(d) The council and each agency listed in section 473.143, subdivision 1, are encouraged to purchase from small targeted group businesses and veteran-owned small businesses designated under section 16C.16 when making purchases that are not subject to competitive bidding procedures.

(e) The council and each agency may adopt rules to implement this section.

(f) Each council or agency contract must require the prime contractor to pay any subcontractor within ten days of the prime contractor's receipt of payment from the council or agency for undisputed services provided by the subcontractor. The contract must require the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney fees, incurred in bringing the action.

(g) This section does not apply to procurement financed in whole or in part with federal funds if the procurement is subject to federal disadvantaged, minority, or

women business enterprise regulations. The council and each agency shall report to the commissioner of administration on compliance with this section. The information must be reported at the time and in the manner requested by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to procurement contract bid solicitations issued on and after that date.

Sec. 94. Minnesota Statutes 2008, section 480.181, subdivision 2, is amended to read:

Subd. 2. Election to retain insurance and benefits; retirement. (a) Before a person is transferred to state employment under this section, the person may elect to do either or both of the following:

(1) keep life insurance; hospital, medical, and dental insurance; and vacation and sick leave benefits and accumulated time provided by the county instead of receiving benefits from the state under the judicial branch personnel rules; or

(2) remain a member of the Public Employees Retirement Association or the Minneapolis employees retirement fund instead of joining the Minnesota State Retirement System.

Employees who make an election under clause (1) remain on the county payroll, but the state shall reimburse the county on a quarterly basis for the salary and cost of the benefits provided by the county. The state shall make the employer contribution to the Public Employees Retirement Association or the employer contribution under section 422A.101, subdivision 1a, to the Minneapolis Employees Retirement Fund on behalf of employees who make an election under clause (2).

(b) An employee who makes an election under paragraph (a), clause (1), may revoke the election, once, at any time, but if the employee revokes the election, the employee cannot make another election. An employee who makes an election under paragraph (a), clause (2), may revoke the election at any time within six months after the person becomes a state employee. Once an employee revokes this election, the employee cannot make another election.

(c) The Supreme Court, after consultation with the Judicial Council, the commissioner of ~~employee relations~~ management and budget, and the executive directors of the Public Employees Retirement Association and the Minnesota State Retirement Association, shall adopt procedures for making elections under this section.

(d) The Supreme Court shall notify all affected employees of the options available under this section. The executive directors of the Public Employees Retirement Association and the Minnesota State Retirement System shall provide counseling to

86.1 affected employees on the effect of making an election to remain a member of the Public
86.2 Employees Retirement Association.

86.3 Sec. 95. Laws 2005, chapter 162, section 34, subdivision 2, is amended to read:

86.4 Subd. 2. **Optical scan equipment.** \$6,000,000 is appropriated from the Help
86.5 America Vote Act account to the secretary of state for grants to counties to purchase
86.6 optical scan voting equipment. Counties are eligible for grants to the extent that they
86.7 decide to purchase ballot marking machines and as a result do not have sufficient Help
86.8 America Vote Act grant money remaining to also purchase a compatible precinct-based
86.9 optical scan machine or central-count machine. These grants must be allocated to counties
86.10 at a rate of \$3,000 per eligible precinct until the appropriation is exhausted, with priority
86.11 in the payment of grants to be given to counties currently using hand- and central-count
86.12 voting systems and counties using precinct-count optical scan voting systems incompatible
86.13 with assistive voting systems or ballot marking machines. This appropriation is available
86.14 until June 30, ~~2009~~ 2012.

86.15 **EFFECTIVE DATE.** This section is effective June 30, 2009.

86.16 Sec. 96. Laws 2006, chapter 218, section 6, is amended to read:

86.17 Sec. 6. **SUNSET.**

86.18 The implementation and steering task force established in section 2 expires on
86.19 December 31, ~~2009~~ 2011.

86.20 Sec. 97. **RULE AMENDMENT.**

86.21 The commissioner of public safety must amend Minnesota Rules, part 7525.0400,
86.22 and any other rules as necessary to conform to section 16B.24, subdivision 5b. The
86.23 commissioner may use the good cause exemption, under authority of Minnesota Statutes,
86.24 section 14.388, subdivision 1, clause (3), to amend rules to conform with section 16B.24,
86.25 subdivision 5b.

86.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

86.27 Sec. 98. **RACING LICENSE FEE RATIFICATION.**

86.28 The changes in license fees proposed for Minnesota Rules, part 7877.0120, subpart
86.29 1, as published in the State Register on Monday, November 10, 2008, are ratified.

86.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

87.1 Sec. 99. **TRAINING SERVICES.**

87.2 During the biennium ending June 30, 2011, state executive branch agencies must
87.3 consider using services provided by government training services before contracting with
87.4 other outside vendors for similar services.

87.5 Sec. 100. **RENTAL COST SAVINGS.**

87.6 The commissioner of administration must report to the chairs and ranking minority
87.7 members of the senate and house committees with jurisdiction over state government
87.8 finance by January 15, 2010, on savings in state agency costs for rental space in
87.9 state-owned and state-leased buildings that can be achieved by expected decreases in
87.10 agency complement and that could be achieved by encouraging or requiring increased
87.11 telecommuting by state employees. The report must estimate savings by agency and by
87.12 fund, and must estimate when these savings can be realized.

87.13 Sec. 101. **CASH FLOW STUDY.**

87.14 By January 15, 2010, the commissioner of finance must submit to the chair
87.15 and ranking minority member of the Finance Committee in the senate and the chair
87.16 and ranking minority member of the Ways and Means Committee in the house of
87.17 representatives, a report on the cash flow condition of the general fund for the fiscal
87.18 year 2010-2011 biennium and the following biennium, including an assessment of the
87.19 options for improving the long-term cash flow of the state through changes in the timing
87.20 of general fund payment dates, revenue collections, or other changes. In addition, the
87.21 report should identify all major provisions of law that result in state expenditures or
87.22 revenues being recognized in budget documents in a fiscal year earlier or later than the
87.23 fiscal year in which the obligation to pay state expenses was incurred or the liability
87.24 to pay state taxes was incurred.

87.25 Sec. 102. **COLOCATION REPORT.**

87.26 The Management Analysis Division of the Department of Finance must study and
87.27 report to the legislature by January 15, 2010, on possible colocation of the offices of the
87.28 Council on Black Minnesotans, the Council on Affairs of Chicano/Latino People, the
87.29 Council on Asian-Pacific Minnesotans, and the metropolitan area office of the Indian
87.30 Affairs Council. The report must include analysis of potential cost savings, when those
87.31 savings could be realized, and the effect of potential colocation on operations of the
87.32 councils.

87.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 103. **TRANSFER OF ASSETS, EMPLOYEES, EQUIPMENT, AND SUPPLIES.**

The existing funds, assets, employees, equipment, and supplies of the Land Management Information Center are transferred to the Minnesota Geospatial Information Office according to Minnesota Statutes, section 15.039.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 104. **TECHNOLOGY LEASE-PURCHASE AUTHORIZATION.**

Subdivision 1. **Lease-purchase agreements.** The commissioner of finance shall enter into one or more lease-purchase agreements as defined in Minnesota Statutes, section 16A.81, to finance the two projects in subdivisions 2 and 3.

Subd. 2. **Replacement of state's accounting and procurement systems.** Proceeds of lease-purchase agreements and the issuance and sale of related certificates of participation are appropriated to the commissioner of finance for development and implementation of a new statewide accounting and procurement system.

Subd. 3. **Completion of integrated tax system.** Proceeds of lease-purchase agreements and the issuance and sale of related certificates of participation are appropriated to the commissioner of revenue for completing the purchase and implementation of an integrated tax software package.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 105. **INFORMATION TECHNOLOGY STUDY.**

The chief information officer of the Office of Enterprise Technology, in consultation with heads of other executive agencies, must report to the chairs and ranking members of the senate and house of representatives committees on state government finance by January 15, 2010, on an interim basis and by July 1, 2010, on a plan to transfer from other state agencies to the Office of Enterprise Technology state employees whose work primarily relates to development, upgrading, replacement, help desk, problem resolution, or maintenance of state data centers, system software, data networks, servers, workstations and office systems. The report must include an estimate of the number of employees who would be transferred, an estimate of enterprise costs savings, an analysis of potential improvements in operations and agency-required service levels, a cost comparison of alternatives to the transfer plan including insourcing, shared services, outsourcing, and co-sourcing, and a proposed transition plan and schedule. State agencies must participate

89.1 and provide information necessary for the Office of Enterprise Technology to comply
89.2 with this section.

89.3 Sec. 106. **ENTERPRISE REAL PROPERTY CONTRIBUTIONS.**

89.4 On or before June 1, 2009, the commissioner of administration shall determine the
89.5 amount to be contributed by each executive agency to maintain the enterprise real property
89.6 technology system for the fiscal year 2010 and fiscal year 2011 biennium. On or before
89.7 June 15, 2009, each executive agency shall enter into an agreement with the commissioner
89.8 of administration setting forth the manner in which the executive agency shall make its
89.9 contribution to the enterprise real property system, either from uncommitted fiscal year
89.10 2009 funds or by contributing from fiscal year 2010 and fiscal year 2011 funds to the real
89.11 property enterprise system and services account to fund the total amount of \$399,000 for
89.12 the biennium. Funds contributed under this section must be credited to the enterprise real
89.13 property technology system and services account.

89.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.15 Sec. 107. **REVISOR'S INSTRUCTION.**

89.16 In the next edition of Minnesota Statutes and Minnesota Rules, the revisor of
89.17 statutes shall substitute the term "Land Management Information Center" with the term
89.18 "Minnesota Geospatial Information Office," wherever they appear in Minnesota Statutes
89.19 and Minnesota Rules.

89.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.21 Sec. 108. **REVISOR'S INSTRUCTION.**

89.22 In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the
89.23 term "United States Information Agency" with the term "Office of Exchange Coordination
89.24 and Designation, United States Department of State" wherever the term appears in
89.25 Minnesota Statutes.

89.26 Sec. 109. **REVISOR'S INSTRUCTION.**

89.27 The revisor of statutes shall change any reference to the commissioner of finance
89.28 or the Department of Finance, or any derivation of those terms, to the commissioner of
89.29 management and budget or the Department of Management and Budget wherever these
89.30 terms appear in Minnesota Statutes or Minnesota Rules.

90.1 Sec. 110. **REPEALER.**

90.2 (a) Minnesota Statutes 2008, sections 240A.08; and 471.9981, subdivision 1, are
90.3 repealed.

90.4 (b) Minnesota Statutes 2008, section 4A.05, is repealed the day following final
90.5 enactment.

90.6 (c) Minnesota Statutes 2008, section 16C.046, is repealed effective the day
90.7 following certification by the commissioner of finance that a new statewide accounting
90.8 and procurement system has been implemented.

90.9 (d) If H.F. No. 1122 is enacted in the 2009 regular session, the sections of that bill
90.10 amending Minnesota Statutes, sections 16C.16, by adding a subdivision; 16C.19; 16C.20;
90.11 161.321; and 473.142, are repealed.

APPENDIX
Article locations in s2082-3

ARTICLE 1 STATE GOVERNMENT APPROPRIATIONS Page.Ln 2.1
ARTICLE 2 STATE GOVERNMENT OPERATIONS Page.Ln 16.15

4A.05 LAND MANAGEMENT INFORMATION CENTER.

Subdivision 1. **Purpose.** The purpose of the Land Management Information Center is to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development. The director, through the center, shall periodically study land use and natural resources on the basis of county, regional, and other political subdivisions.

Subd. 1a. **Statewide nitrate database.** The director, through the center, shall maintain a statewide nitrate database containing the data described in section 103A.403.

Subd. 2. **Fees.** The director shall set fees under section 16A.1285 reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state treasury and credited to the Land Management Information Center revolving account. Money in the account is appropriated to the director for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the office that is attributable to the land management information system. The director may require a state agency to make an advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution.

16C.046 WEB SITE; SEARCHABLE DATABASE; STATE CONTRACTS; GRANTS.

(a) The commissioner of administration must maintain a Web site with a searchable database providing the public with information on state contracts, including grant contracts. The database must include the following information for each state contract valued in excess of \$25,000:

- (1) the name and address of the entity receiving the contract;
- (2) the name of the agency entering into the contract;
- (3) whether the contract is:
 - (i) for goods;
 - (ii) for professional or technical services;
 - (iii) for services other than professional and technical services; or
 - (iv) a grant;
- (4) a brief statement of the purpose of the contract or grant;
- (5) the amount of the contract or grant and the fund from which this amount will be paid; and
- (6) the dollar value of state contracts, other than grants, the entity has received in each fiscal year and the dollar value of state grants the entity has received in each fiscal year.

(b) Required information on a new contract or grant must be entered into the database within 30 days of the time the contract is entered into.

(c) For purposes of this section, a "grant" is a contract between a state agency and a recipient, the primary purpose of which is to transfer cash or a thing of value to the recipient to support a public purpose. Grant does not include payments to units of local government, payments to state employees, or payments made under laws providing for assistance to individuals.

(d) The database must include information on grants and contracts entered into beginning with fiscal year 2008 funds, and must retain that data for ten years.

240A.08 APPROPRIATION.

(a) \$750,000 is appropriated annually from the general fund to the Minnesota Amateur Sports Commission for the purpose of entering into long-term leases, use, or other agreements with the Metropolitan Sports Facilities Commission for the conduct of amateur sports activities at the basketball and hockey arena, consistent with the purposes set forth in this chapter, including (1) stimulating and promoting amateur sports, (2) promoting physical fitness by promoting participation in sports, (3) promoting the development of recreational amateur sport opportunities and activities, and (4) promoting local, regional, national, and international amateur sport competitions and events. The Amateur Sports Commission shall determine what constitutes

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amateur sports activities as provided in this chapter as of March 1, 1995. The Metropolitan Sports Facilities Commission may allocate at least 25 but no more than 50 dates a year for the conduct of amateur sports activities at the basketball and hockey arena by the Amateur Sports Commission. At least 12 of the dates must be on a Friday, Saturday, or Sunday. The Amateur Sports Commission may sell a date at the arena to another group for any purpose. Revenue from sale of these dates is appropriated to the Amateur Sports Commission for purposes listed in section 240A.04. If any amateur sports activities conducted by the Amateur Sports Commission at the basketball and hockey arena are restricted to participants of one gender, an equal number of activities on comparable days of the week must be conducted for participants of the other gender, but not necessarily in the same year. The legislature reserves the right to repeal or amend this appropriation, and does not intend this appropriation to create public debt.

(b) The Amateur Sports Commission shall not transmit to the operator of the basketball and hockey arena payment of any event-related costs or expenses, including, but not limited to, personnel, labor, services, equipment, utilities, or supplies attributable to the events unless and until the operator has demonstrated, to the satisfaction of the Amateur Sports Commission, the basis for each specific cost or expense and the means by which the costs and expenses were determined.

(c) The Amateur Sports Commission may use any ticket system as may be in place from time to time at the basketball and hockey arena, provided that any royalty or rebate fees or charges or surcharges on tickets received by the operator of the arena from third parties must be credited against event-related costs or expenses.

(d) In the establishment of event-related costs to be imposed upon the Amateur Sports Commission, the operator of the basketball and hockey arena shall provide the Amateur Sports Commission with the maximum discount that the operator has supplied to any other sponsor of a similar amateur sports event in the arena within the 180-day period immediately preceding the date of the Amateur Sports Commission event.

(e) The Amateur Sports Commission must report by August 1 each year to the chairs of the house of representatives and senate state government finance divisions on compliance with this section and on the total value of dates and ancillary services, and revenue derived from resale of dates, during the previous state fiscal year.

(f) The attorney general, on behalf of the Amateur Sports Commission, must pursue collection of monetary damages from the operator of the arena if the operator fails to comply with the requirements of this section.

(g) The books, records, documents, accounting procedures, and practices of the Metropolitan Sports Facilities Commission, the Minneapolis Community Development Agency, and any corporation with which the Minnesota Amateur Sports Commission may contract for use of the basketball and hockey arena are available for review by the Minnesota Amateur Sports Commission, the legislative auditor, and the chairs of the State Government Finance Divisions of the senate and the house of representatives, subject to chapter 13 and section 473.598, subdivision 4.

471.9981 COUNTIES AND CITIES; PAY EQUITY COMPLIANCE.

Subdivision 1. **1988 report.** A home rule charter or statutory city or county, referred to in this section as a "governmental subdivision," that employs ten or more people and that did not submit a report according to repealed section 471.998, shall submit the report by October 1, 1988, to the commissioner of employee relations.

The plan for implementing equitable compensation for the employees must provide for complete implementation not later than December 31, 1991, unless a later date has been approved by the commissioner. If a report was filed before October 1, 1987, and had an implementation date after December 31, 1991, the date in the report shall be approved by the commissioner. The plan need not contain a market study.